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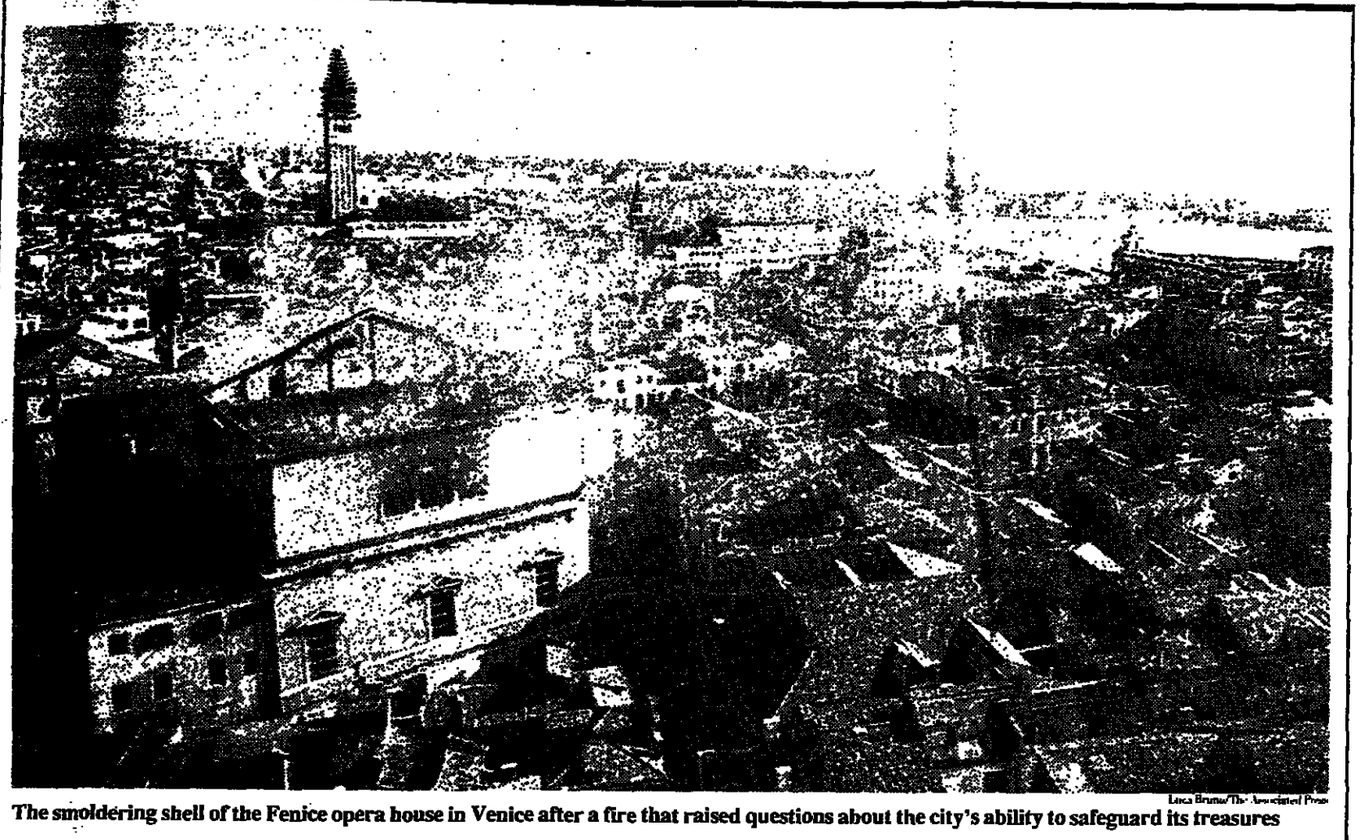

Luca Bruno/The Associated Press

The smoldering shell of the Fenice opera house in Venice after a fire that raised questions about the city's ability to safeguard its treasures

With Fenice in Ashes, Opera Is Like an Orphan

By Celestine Bohlen
New York Times Service

ROME — Italy mourned one of its most beloved monuments Tuesday after a fire destroyed the Fenice opera house in Venice, leaving only a blackened shell and the smoldering ruins of its elegant interior.

"The entire world of opera feels like an orphan after such a loss," Luciano Pavarotti, the tenor, told Italian reporters. Venice without the Fenice, he said, is like "a body without a soul."

By midday the Italian government had pledged the equivalent of $12.5 million to begin reconstructing the theater, thought by many to be the most beautiful in Italy. Built in 1792, the theater — whose name means The Phoenix — burned down once before, in 1836, only to reopen a year later, true to the myth that surrounds its emblem and its name.

The fire, believed to have been sparked by an electrical short circuit, broke out Monday at 9 P.M., and raged for nine hours, with flames shooting 50 meters high above the lagoon city. Onlookers said it resembled a volcano in full eruption.

First efforts by fire fighters to get to the theater were hampered because two canals nearest the Fenice had been drained as part of a citywide dredging project, thus blocking access by fire boats and requiring crews to lose precious time while they pumped water from the Grand Canal, some distance away.

For a city that usually worries about too much water, there was tragic irony in the fact that this time water was hard to come by. As Mayor Massimo Cacciari also noted Tuesday, the canals around the Fenice had been drained precisely to remove a heavy build-up of silt, accumulated over the last 50 years, which denied passage to the city's fleet of emergency motor boats.

Although the Fenice's neoclassical facade survived, Sandro Furlan, the official coordinating the fire-fighting effort, said Tuesday that the outside walls were still in danger of collapsing. According to one expert, the cost of the damage was $310 million — a staggering sum that will require Venice, and Italy, once again to turn to the international community for assistance.

The Fenice is closely linked to the history of opera. Five operas by Verdi opened there, including "La Traviata" and "Rigoletto," as did operas by Rossini and Donizetti in the last century, and by Igor Stravinksy and Benjamin Britten in this one.

The Fenice was closed in August for renovation — timed to coincide with the city's canal-cleaning project — and was due to reopen March 1. The theater's repertory company was on tour in Warsaw when they learned of the fire.

See FIRE, Page 6

Paris and Bonn Chart Separate Roads to Recovery

French Plan Falls Short of The Rhetoric

By Alan Friedman
International Herald Tribune

PARIS — Whatever it was that President Jacques Chirac had in mind when he announced plans two weeks ago for France and Germany to launch coordinated economic stimulus packages, the result that emerged Tuesday fell short of his rather grand rhetoric.

Economists agreed Tuesday that just about the only thing coordinated about the German and French measures was that they were timed to be made public on the same day.

Even the finance ministers of both countries backed away from Mr. Chirac's vision. Theo Waigel of Germany said there was "no joint initiative on employment" and called the plans "very different." Jean Arthuis of France said the two governments shared "converging analyses and the same perspective" that there were prospects for an economic rebound.

"The feeling in the markets," said Ken Wattrett, a European economist at HSBC Markets in London, "is that the attempt by the German authorities is a more credible effort to stimulate economic growth than the French plan. The German measures seem to be more wide-ranging. The problem with the French package is that it looks like more window dressing."

After he spoke on Jan. 15, Mr. Chirac's promise of a joint effort was judged rash, at least in private, by a number of policymakers in his own government and in Bonn. But while Chancellor Helmut Kohl proceeded with a carefully prepared debate on how to fight unemployment, French officials have been scrambling to come up with measures.

The truth is that because of the strictures of the Maastricht treaty on monetary union, neither Germany nor

See ECONOMY, Page 6

Germans Focus On Labor Cost, France on Rates

By John Schmid
International Herald Tribune

BONN — The German government unveiled its most far-reaching package of tax cuts, deregulations and social security reforms on Tuesday to fuel economic growth and halt the country's spiraling unemployment, ostensibly synchronizing its move — as had been promised — with France.

But Paris announced a starkly different and far less ambitious plan. It said it would tackle joblessness by stimulating consumer spending by means of tinkering on the financial margins, manipulating the nation's savings rates.

"We have a common obsession — jobs," Prime Minister Alain Juppé said in a television interview. But he explained the differences in the French and German plans by saying that "whereas Germany is attacking the cost of labor, we attack the cost of credit."

France's commercial banks announced within minutes of the stimulus package's being announced that they were cutting their base lending rates to 7.00 percent from 7.50 percent.

German officials said the dissimilar packages still showed a united front in their disavowal of traditional spending stimuli to buy job creation. But the implied message was clear enough: Neither France nor Germany has any interest in adding to the speculation of a delay in meeting the 1997 fiscal requirements to launch a single European currency.

The German package of 50 measures, many of which have already been put forward, included reductions in taxes and nonwage labor costs. It is aimed at cutting unemployment by half — from the current rate of nearly 10 percent — by the year 2000, as a conference of unions, employers and the government agreed to do last week.

Proposals to extend the French-German initiative across the European Union were expected to be unveiled on Wednesday by Jacques Santer, the president of the European Commission, sources at the Brussels-based EU executive said.

In an address to the European Parliament, Mr. Santer is expected to urge employers, unions and governments across the EU to reach a broad agreement on wage moderation and labor flexibility, similar to the so-called alliance for jobs that Chancellor Helmut Kohl brokered with labor and industry in Germany last week.

The sources said Mr. Santer would also suggest increasing EU spending on

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NEWS ANALYSIS

On Eve of U.S. Visit, Chirac Ponders a New Europe

By William Drozdiak
Washington Post Service

PARIS — President Jacques Chirac of France says the time has come to revamp the terms of the Atlantic alliance and create a more equal partnership with the United States in which a uniting Europe assumes greater responsibility for its own security.

As Mr. Chirac prepared for a three-day state visit to the United States this week, he said would emphasize during his discussions with President Bill Clinton and in an address before both houses of Congress that Europe and America needed to encourage a more mature relationship that could thrive in the 21st century as the principal force of global leadership.

In an interview in his office at Elysée Palace, Mr. Chirac said: "I believe that the alliance is a permanent cornerstone of our security. But its military structure corresponds to a time when the world was divided in two and East confronted West.

"Today, things have changed. France has moved closer to NATO recently because it wants to play an active role in a reorganized alliance. We need to reflect on a new long-term vision, one that is based on a more equal partnership, with Europe doing more for its own security."

Under the Fifth Republic founded by de Gaulle, Mr. Chirac's mentor, the French president wields ultimate authority over the country's foreign and security policies.

And like de Gaulle, Mr. Chirac said, he intends to devote much of his time in office to fortifying France's influence in the world. Just as the general played a pivotal role in the world that emerged from World War II, Mr. Chirac aspires to shape a new global order in the post-Cold War era.

In this sense, Mr. Chirac perceives his main tasks as promoting European unity, embracing new democracies in the East, and reinforcing what he calls "one of the world's oldest friendships," between France and the United States.

"A united Europe means peace in the world, on our continent and for the United States," he said. "We must extend this area of stability to the East."

Over the next few years, Mr. Chirac said, a critical test of Western leadership will be the way it manages its relations with Russia and the countries of Eastern

See FRANCE, Page 6

Hanson Splits Itself

Hanson, the British-American conglomerate famous for buying undervalued companies and selling their pieces off at a profit, decided Tuesday to split itself into four separate companies.

Lord Hanson, the company's founder, called the move "radical and exciting." (Page 11)

Russian Economy Afloat on Sea of Debt

By David Hoffman
Washington Post Service

MOSCOW — At the Barnaul Match Factory in Siberia, workers recently received fat pay envelopes: They each got 5,000 boxes of matches instead of money and were then dismissed for two weeks.

The Altaikoks coal company, meanwhile, held two trains and their crews hostage for four days because the railroad was threatening to stop providing service unless the coal company paid the equivalent of $2.7 million in overdue bills.

In St. Petersburg, union leaders at 15 higher educational institutions went on a hunger strike to protest nonpayment of salaries totaling $44 million.

Here in Moscow, more than 800 coal miners who have had no wages from their government-subsidized companies for four months staged their own protest.

"I have been working at the mine for 31 years," said Nikolai Lukinsky, 49, who was wearing a cap emblazoned "Kuzbass," one of Russia's richest coal-producing regions. "I put my heart and energy into it. I'm afraid if I leave, or my friends do, then the mine will be shut down."

His predicament is emblematic of the entire Russian economy as it struggles through the transition from central planning to a free-market system: The country is locked in a monumental web of unpaid debts, unpaid salaries and unpaid taxes.

Sometimes it seems that all of Russia is stuck in economic gridlock.

Millions of workers are paid months late or not at all. Last summer, major banks decided suddenly to stop repaying overnight credits, triggering a liquidity crisis. Huge enterprises, many of them owned partly by the state, refuse to pay taxes.

The debts compound each other.

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Melting Ice Shelves: Time to Worry?

By William K. Stevens
New York Times Service

NEW YORK — Scientists have long feared that global warming might eventually cause the vast West Antarctic Ice Sheet to melt, raising the worldwide sea level by a catastrophic 20 feet or so. The first warning sign, the experts said, would be the retreat of ice shelves that extend off the Antarctic coast into the ocean.

That sign has appeared, but the experts are no longer sure what it portends.

Glaciologists with the British Antarctic Survey, a government organization based in Cambridge, England, report in the current issue of the journal Nature that atmospheric warming has caused five floating ice shelves attached to the Antarctic Peninsula to shrink dramatically over the last 50 years.

The most recent example of the ice retreat came early last year, when a 500-square-mile (1,300-square-kilometer) chunk of the Larsen Ice Shelf disintegrated in 50 days, launching a 125-mile-long parade of thousands of icebergs into the Weddell Sea.

This ice has no effect on sea level because it has already been floating on the ocean; melting makes no difference. But the British scientists say that if the warming continues, as scientists advising the United Nations have predicted, the frontier of melting will move farther south. In time, this could expose inland ice sheets to shrinkage that would add to the ocean's volume.

A large enough warming could even melt the Filcher-Ronne and Ross ice shelves closer to the South Pole, each as big as Spain (195,000 square miles). Scientists have thought that if these "dams" were removed, they would allow West Antarctica's glaciers to flow more easily into the sea, where they would melt and raise the water level catastrophically.

Furthermore, according to the new study, the retreat of the ice shelves appears to have accelerated in the final stages of disintegration, leading to an unexpectedly rapid collapse. To some scientists, this raises the possibility that inland ice sheets might behave likewise, causing sea level to rise more rapidly than scientists have anticipated.

The UN panel of scientists recently predicted that if emissions of such heat-trapping industrial gases as carbon dioxide are not reduced, the average glob-

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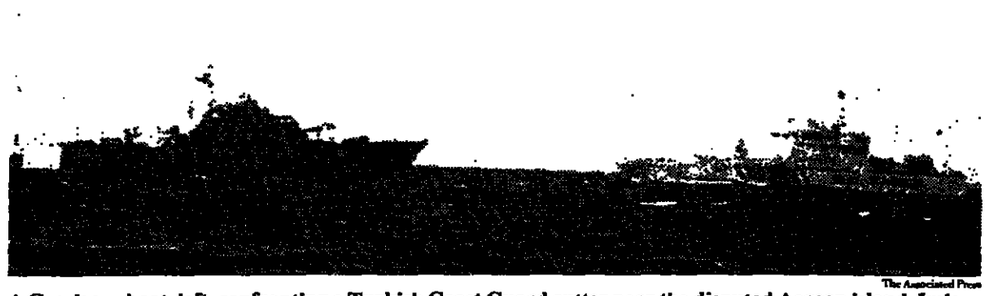

The Associated Press

A Greek gunboat, left, confronting a Turkish Coast Guard cutter near the disputed Aegean island, Imia.

UN Calls on Greece and Turkey for Calm in Aegean

UNITED NATIONS, New York (Reuters) — Secretary-General Boutros Boutros Ghali strongly urged Greece and Turkey on Tuesday to withdraw their respective warships from around the disputed Aegean island of Imia to avoid incidents. Mr. Boutros Ghali called on the two NATO allies to resolve their differences peacefully.

"The secretary-general is concerned by the sudden outbreak of tension between Greece and Turkey, as a result of incidents in the neighborhood of the uninhabited islet of Imia in the Aegean sea," a United Nations statement issued through his spokesman said. (Page 5)

Another New High for Wall Street

Stocks marched to record highs again on Tuesday amid strong earnings from blue-chip companies. The Dow Jones industrial average closed up more than 76 points, at 5,381.

The rally was also fueled by heightened expectations that Federal Reserve Board policymakers would cut interest rates to stimulate the economy after two new reports that reinforced concerns about sluggishness in consumer spending. (Page 12.)

Dow Jones	Trib Index
Up 76.23	Up 0.36%
5381.21	132.62

The Dollar

New York.	Tues. close	previous close
DM	1.49	1.4825
Pound	1.5055	4.5068
Yen	107.25	106.75
FF	5.12	5.1038

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Dismantling an Economic Engine / **Dark Future for Company Towns**

French Military Cuts Could Inflict Big Wounds

By Joseph Fitchett
International Herald Tribune

PARIS — The audience of officers and bureaucrats listened tensely as Henri Conze, the nation's armaments czar, called for a revolution in France's defense industry, Europe's largest and largely state-owned.

His grim New Year's message was a turning point for a country with ambitions to be Europe's strategic leader, an acknowledgment that French spending on arms has hit the wall and has to be drastically cut back.

The jolt to comfortable traditions was emphasized by the setting: a crimson-trimmed hall in France's military monument, the Invalides, where chivalric armor alternates with equestrian portraits of Louis XIV and Bonaparte, whose remains are entombed there.

Today's French commanders have forces operating on feet of clay. Desperate for budget savings, the government cut next year's spending on new weapons to roughly 75 billion French francs ($15 billion) from 110 billion French francs. In effect, France plans, over two years, a contraction in its military industry on a scale that Britain and Germany, Europe's two other major weapons manufacturers, and the United States *have taken five years to accomplish at considerable* social pain.

In so doing, France has finally recognized that it can no longer afford to make the full gamut of weapons for itself — from Mirage and Rafale warplanes, Thomson and Matra radars, Leclerc tanks to submarines, aircraft carriers and missiles and a panoply of nuclear weapons.

The implications extend far beyond France. *Allied capitals, especially in Europe,* will be watching the government's decisions about where to cut to see whether France emerges with satellites and other modern weapons likely to give Europe military punch in the coming years. Asian, and, of course, American industrial rivals will be looking to see whether France's long-protected military sector is opened up to joint ventures or even takeovers.

A first glimpse should come this week when a restructuring plan is expected from Mr. Conze, who heads the powerful delegation on armaments in the Defense Ministry. Industrially, Mr. Conze's mission is almost impossible because the necessary cuts have been put off so long.

Beyond the Conze plan, President Jacques Chirac's overwhelming priority *is likely to be* social — preventing workers at the country's arms plants from erupting as did railroad workers to stunning effect last year. Arms plants have a special volatility. Unions are entrenched there, while many of the threatened factories are in towns where they are the only industry.

The only parallel comes from the successful drive to restructure the steel industry in the 1980s, but the comparison is probably misleading in a country that is struggling with double-digit unemployment and has little hope for the subsidies, from Paris and the European Commission in Brussels, that helped convert steel towns to new businesses.

Geography is also a problem. Military manufacturing is densely concentrated, with three regions — Brittany, the Pyrenees north to Bordeaux, and the Marseille area — counting on defense jobs for 15 percent to as much as 20 percent of employment. Only slightly less vulnerable are three other regions: Normandy, the Massif Central plateau in southern France, and the area around Toulouse, which depend on defense for 10 percent of its jobs.

All these pockets, most of them in western and southern France, are alike in one respect: They *are remote from the most promising hubs of* French manufacturing growth, which are along the German border and the Belgian border around Lille. Historically, French weapons production was put as far as possible from borders — and the foreign armies that could pour over them.

The age of missiles (and French-German harmony) have abolished the need for this strategic depth. Now, distance from Germany and major *markets farther east is a handicap for towns* trying to lure investors.

When Mercedes-Benz and Swatch decided last year to put a $4 billion plant in France to build a new micro-car, one possible site was in Brittany on the Atlantic coast and the other across the country in Lorraine, where many French people speak German. The plant went east — and Lorraine stands to gain 2,000 jobs in the next few years. For the losers in Brittany and in most defense towns, there are no obvious plausible alternatives to the defense industries.

This economic reality stands in contrast to some of the promises made last week by Defense Minister Charles Millon about government plans to bring new jobs to areas hurt by plant closings.

He also discounted reports that as many as 50,000 out of 300,000 military-related positions in France were threatened. Those numbers, he said, "are being thrown around by people who want to scare the population or trigger demonstrations." But even a fraction of those losses could cause trouble.

As a rationale for the wrenching changes, France is likely to invoke the cause of European unity — just as it cited Europe's plan for a single currency in squeezing budget deficits.

France is set to explain that its arms makers have to be repackaged as part of a European defense industry that would be capable of standing up to U.S. industrial rivals.

In practice, this idea is likely to have one quick result: reinforcement of calls for a "European preference" in buying weapons. But that approach *has been resisted, notably by Britain and* the Netherlands, which find better deals in U.S. weapons. In the end, international competition seems likely to determine which companies emerge as defense players in France and in Europe.

So far, the French government has refused to consider drastic surgery similar to that performed by the German military conglomerate, Daimler-Benz, in pulling the plug last week on its unprofitable Dutch acquisition, Fokker aircraft.

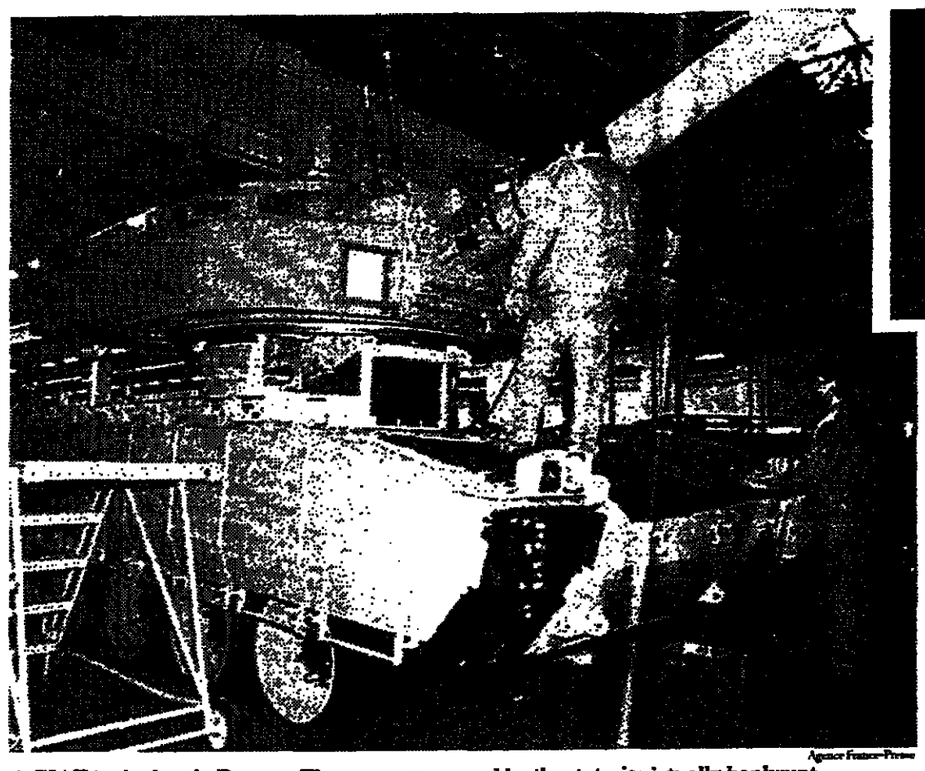
Instead, Mr. Conze is likely to look for mergers among French companies to produce strong survivors that could be married to German or British partners.

It may already be too late for some companies. Bonn has pulled back from cooperation with GIAT, France's virtually bankrupt tank maker. The next time bomb is likely to be the unprofitable naval shipyards, the biggest state-owned ventures of their type outside Russia and China.

But so far, the sole significant government initiative has been to start dismantling, almost by stealth, Aérospatiale, by merging its satellite and missile businesses with Daimler's Deutsche Aerospace. That move — accepted by Mr. Chirac last month after he had criticized previous governments for considering it — was presented as a way of creating an independent capacity in spy satellites, lessening European dependence on U.S. space reconnaissance.

The main remaining component of Aérospatiale, its aircraft-manufacturing division, will disappear if agrees to plans to turn Airbus Industrie, *now a four-nation consortium, into a free-standing* company than can compete more fiercely against Boeing.

That is the kind of strategic thinking advocated by François Heisbourg, a defense-official-turned-industrialist, in his new book, "For a New Defense Policy." He contends that France can make big savings in its nuclear weapons program now that its unpopular tests are over — freeing funds for military space programs to give France military and political leverage.

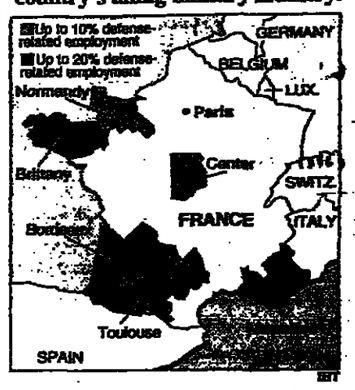


Agence France-Presse

A GIAT tank plant in Roanne. The company, owned by the state, is virtually bankrupt.

Reuters

Henri Conze, France's armaments czar, is working to come up with a plan to restructure the country's ailing military industry.



BRT

COMING UP

Some 37,000 American troops in South Korea are playing a waiting game. This winter the border between the two Koreas, with its tank traps and minefields, is more tense than usual.

Drug Mix For AIDS Is Called Promising

By Lawrence K. Altman
New York Times Service

WASHINGTON — A combination of an experimental AIDS virus drug and two licensed ones appears to be the most powerful AIDS therapy ever tested on patients, a researcher from the experimental drug's developer said at a scientific meeting.

The three-drug combination reduced the amount of HIV, the AIDS virus, by 99 percent, to blood levels that could not be detected by standard laboratory tests in 24 of 25 patients. The effect has lasted for nearly six months in one study, said Dr. Emilio Emini, a researcher at Merck & Co., which developed the experimental drug.

Many among the more than 2,100 scientists at the Infectious Diseases Society meeting Monday expressed optimism about the findings, in part because it was one of the few bits of good news about AIDS in a long time.

But, recalling how they had been wrong about several other initially favorable AIDS findings, scientists urged caution. They noted that the latest findings were from a small, short-term study. The participants said it is too early to determine for how long the favorable effect would last, how many patients would benefit and what long-term complications might develop.

The two marketed drugs are AZT and 3TC, which the drug manufacturer Glaxo Wellcome PLC makes as Retrovir and Epivir. The experimental drug is Merck's indinavir, a member of a new class of AIDS drugs known as protease inhibitors. This week, Merck is asking the Food and Drug Administration for approval to market the drug as Crixivan. Merck officials said they did not know how much the drug would cost.

The drug combination's effect has been measured only in terms of the amount of HIV in the blood and a standard laboratory test, the CD-4 count. The *study was not designed to determine* how the combination affects illness from HIV infection and AIDS.

Kidney stones appear to be the main hazard from indinavir, appearing in about 2 percent to 3 percent of patients.

The drugs are not a cure for AIDS. The hope is that they will keep the infection suppressed for long periods. "It is the best result seen to date" in lowering the amount of HIV in the body, Dr. Emini said in an interview.

A major difficulty with AIDS drugs is that they lose effect when the human immunodeficiency virus develops resistance to them. The hope for protease inhibitor drugs is that their suppression of HIV's ability to reproduce will keep to a minimum the development of resistant strains.

Quebec Chief's Plan: First, the Economy

By Charles Trueheart
Washington Post Service

TORONTO — Lucien Bouchard has entered office as the leader of Quebec with a pledge to set the province's teetering economic *house in order before resuming the* fight for independence from Canada that his allies nearly won in a referendum three months ago.

As he took over in Quebec City, Mr. Bouchard made a speech devoted almost entirely to issues of economic revitalization and deficit reduction in the heavily indebted province.

In addition, he made brief conciliatory noises toward his separatist government's political opponents in Quebec and English-speaking Canada.

But the new premier sounded also as if Quebec's independent destiny were assured, saying that the rest of Canada is already "resigning itself" to an idea separatists long have championed — that two nations in partnership would be better than one at war with itself.

Mr. Bouchard, 57, succeeds Jacques Parizeau as premier of the province of 7.25 million, most of them French-speakers. Mr. Parizeau led the separatist Parti Québécois back to power there 16 months ago, and then asked Quebec voters to back his pro-independence program in an Oct. 30 referendum that nearly carried.

When Mr. Parizeau abruptly resigned after the referendum, the popular Mr. Bouchard became the heir apparent. Mr. Bouchard was first elected to head the Parti Québécois, confirmed as premier Monday and will go through the formality of winning a provincial legislative district in a few weeks.

Ever since his intention to leave the federal sphere in Ottawa and lead Quebec became clear, Mr. Bouchard has made Quebec's economic revival his priority. Its $55 billion debt is the highest per capita of any Canadian province, and debt service consumes nearly a fifth of its public expenditures.

He has already closed off one remedy by reversing an earlier plan to raise the provincial sales tax.

Mr. Bouchard said nothing Monday and has said little for weeks about the timing of the next independence referendum, except to reserve the decision for himself.

Separatist hard-liners say they believe Mr. Bouchard may be susceptible to a deal with Canada that will stop short of outright sovereignty. Mr. Bouchard has stiffly denied any softness in his position, but he has just as strenuously kept his options open.

Over the weekend, in a rousing trademark speech to party faithful, Mr. Bouchard scorned the latest threatening noises from the government of Prime Minister Jean Chrétien. His new lieutenant in Quebec, Stephane Dion, revived suggestions that Quebeckers who did not favor separation would have the right to keep their parts of the province within Canada.

Mr. Bouchard said partition of Quebec was nonnegotiable, a traditional position. But even with his new emphasis on governance and the economy, he went a provocative step further: "Canada is divisible because it is not a real country. There are two people, two nations and two territories. And this one is ours."

Mr. Bouchard's remarks go to the heart of a malaise across the country, a sense that Canada may have exhausted every effort to reach common ground with its determined French-speaking minority.

The hair's-breadth referendum victory for Canadian unity has depressed expectations that Mr. Chrétien can win the next one.

The political mood has shifted significantly. Canadians in general no longer seem willing to pull together and grant special concessions to keep Quebeckers among them. Many believe that now only the direst warnings to Quebec can succeed in deterring it from the path of separation.

New York Takes Pity on JFK Tourists

New York Times Service

NEW YORK — For the thousands of tourists, business travelers and New Yorkers who stream through John F. Kennedy International Airport every day, life just became a little simpler. Starting Tuesday, the taxi fare from the airport to Manhattan was $30, no matter what.

The city's Taxi and Limousine Commission devised the flat fare as a response to what officials said was a flood of complaints that cabbies were bilking out-of-towners, particularly foreigners, by taking serpentine routes or inventing surcharges.

"We looked at all our consumer complaints and about 40 percent of them were on fares from the airports, and most of those were from JFK, from tourists," said Christopher R. Lynn, chairman of the commission.

The meter will still dictate the fare from Manhattan to the airport, because, Mr. Lynn said, there were far fewer complaints about travel in that direction. And the flat rate will not apply to travel from the airport to any borough other than Manhattan.

TRAVEL UPDATE

Work Is Stopped Near Step Pyramid

SAQQARA, Egypt (Reuters) — The Egyptian minister of culture ordered that building work for a museum near ancient tombs be stopped on Tuesday because it threatened to mar the landscape around the country's first pyramid.

The minister, Farouk Hosni, also ordered an investigation into how the antiquities department had approved the project only 200 meters (220 yards) from the famous Step Pyramid at Saqqara, which was built about 2650 B.C..

"I want the whole thing removed," he said at the site, on the west bank of the Nile 25 kilometers (15 miles) from Cairo.

FAA Returns to Manila's Airport

MANILA (Reuters) — The U.S. Federal Aviation Administration has begun a new inspection of Manila's international airport six months after declaring it unsafe, Philippine officials said Tuesday.

They said that safety measures at the airport had been upgraded and that they were confident Manila would pass the test. "We have complied with the security standards," the airport's general manager said. The FAA said in August that the airport had inadequate security and gave Manila six months to fix the problems or lose U.S. landing rights.

China expects robust growth in its tourism industry to continue in 1996, with foreign currency revenues rising to $9.5 billion for the year, a 10-percent increase over 1995, the official newspaper China Daily reported. The number of foreigners visiting China is forecast to climb to 47.5 million this year, a 2.4 percent increase over last year, it said. *(AP)*

The new U.S. ambassador to Lebanon said he hoped to lift the 11-year ban on travel to the country and improve economic ties between the two nations when he takes his post next month. Richard Jones told the newspaper An Nahar on Tuesday that security had improved since the end of the 1975-1990 civil war, but that large parts of the country were still outside state control. *(AFP)*

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3 Puerto Ricans Drop Citizenship

The Associated Press

SAN JUAN, Puerto Rico — A third Puerto Rican independence activist has formally given up U.S. citizenship. Pablo Marcano, 44, acted at the U.S. Embassy in Mexico City, the United Committee Against Repression said. Mr. Mercano is committee spokesman.

The first to renounce, Juan Mari Bras, 68, hopes to force Washington to recognize him as a Puerto Rican citizen.

He gave up his citizenship in July 1994 at the U.S. Embassy in Caracas. Luis Rafael Mercado Leon, 41, renounced his citizenship at the U.S. Interests Section in Havana last Tuesday.

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THE AMERICAS

Pentagon Backtracks on Warning About the Threat of Jewish Spies

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — A Defense Department security office issued a confidential warning to many military contractors in October that the Israeli government was "aggressively" trying to steal U.S. military and intelligence secrets by trading in part on its "strong ethnic ties" to the United States to recruit spies.

The warning, which described Israel as a "non-traditional adversary" in the world of espionage, was circulated by the Defense Investigative Service with a memo noting similar intelligence "threats" from other close U.S. allies.

The warning about Israel was withdrawn by the Pentagon in December after senior officials decided its author had improperly singled out Jewish "ethnicity" as a counterintelligence concern.

The warning nonetheless provoked a vigorous protest Monday by the Anti-Defamation League of B'nai B'rith, a prominent Jewish organization, which made the matter public and called on the Pentagon to conduct an internal investigation.

"This is a distressing charge which impugns American Jews and borders on anti-Semitism," the League's director, Abraham H. Foxman, said in a letter to Defense Secretary William J. Perry.

The government memo, and the League's angry reaction to it, highlight a particularly delicate issue for the Defense Department. Many military counterintelligence officials remain scarred by the 1985 revelation that a navy intelligence analyst, Jonathan Jay Pollard, stole what the memo refers to as "vast quantities of classified information" on Israel's behalf over a 17-month period.

Mr. Pollard, who is Jewish, said he was motivated partly by sympathy for Israel. The Israeli government since then has granted him citizenship and unsuccessfully appealed to senior U.S. officials for his early release from a sentence of life in prison. The appeal has been supported by some U.S. Jewish groups, although not by B'nai B'rith, which said it found no evidence of ethnic bias in the U.S. government's handling of the case.

A cover letter to the Defense Investigative Service memo described its dissemination as part of a new effort by the Pentagon to alert military contractors to the dangers of attempted spying by what it referred to as "military friends" such as France, Italy, Japan, Germany, and Britain.

"It is obvious that there is far more economic and industrial espionage than previously suspected," said the memo, which Pentagon officials said was drafted by an industrial security specialist with the Defense Investigative Service, and sent to 250 facilities in that region conducting classified military work.

The service is responsible for overseeing security programs at such contractors and conducting background checks on both civilian and military employees in sensitive posts. The employee sent similar memos detailing intelligence threats from the other U.S. allies.

The confidential memo on Israel began by noting that the country, a major recipient of U.S. military and economic aid, "is a political and military ally." But it continued, "the nature of espionage relations between the two governments is competitive." It said Israel "aggressively collects military and industrial technology," including spy satellite data, missile defense information, and data on military aircraft, tanks, missile boats, and radars.

Drawing on the example of the Pollard case and four other Israeli espionage operations in the United States, the memo said that the country's recruitment techniques included "ethnic targeting, financial aggrandizement, and identification and exploitation of individual frailties" of U.S. citizens.

"Placing Israeli nationals in key industries," the memo said, "is a technique utilized with great success." It alleged that Israeli agents stole "proprietary information" from an Illinois optics firm in 1986 and test equipment for a radar system in the "mid-1980s."

The memo also repeated previously publicized charges — denied by Israel and never officially proven by U.S. investigators — that Israel may have provided China with sensitive fighter jet technology obtained from the United States.

Assistant Secretary of Defense Emmett Paige Jr., who has responsibility for military intelligence matters, replied in a letter to Mr. Foxman on Monday that "the content of this document does not reflect the official position of the Department of Defense."

He described the author as "a low ranking individual at a field activity of the Defense Investigative Service."

"We have instructed appropriate personnel that similar documents will not be produced in the future," he wrote.

Should the CIA Get More Ways to Spy?

A Call for Rethinking of Barriers

By Walter Pincus
Washington Post Service

WASHINGTON — A private panel is urging policymakers to consider allowing the CIA to resume sending out spies posing as American journalists or members of the clergy and lifting the ban on covert actions intended to prevent terrorist attacks or overthrow hostile regimes.

The panel, organized by the policy analysis group the Council on Foreign Relations, also says the government should accept that CIA clandestine operations could require work with people with "unsavory reputations," including criminals, according to a draft of the report, which is to be issued in early February.

Since the 1970s, the Central Intelligence Agency has been barred by executive order from recruiting American journalists, members of the clergy and Peace Corps volunteers as agents or using such cover for agents. Operations that could result in the assassination of the leader or top officials of a foreign government have also been barred.

The Bush administration, for example, was talked out of kidnapping Manuel Antonio Noriega of Panama because CIA officials could not assure Congress that no one would be killed, one former intelligence official said.

"The end result," this former official said, "was that we invaded with American military forces and captured Noriega with more lives lost." Twenty-three Americans were killed and 322 were wounded in the operation.

In its draft, the panel is urging the agency's overseers in Congress and elsewhere to consider allowing the CIA to engage in "risk taking" in its activities, as long as its actions were legal under U.S. law.

The panel is suggesting that the CIA should undertake more spying and covert activities abroad despite its "record of operating with questionable legality and judgment," the report says.

"No matter how controversial this might seem," said Richard N. Haas, the council's project director and a former senior member of the National Security Council staff under President George Bush, "it is worth taking a look at without prejudice."

The panel, which includes former top government officials and retired military and intelligence officers, "hoped to stimulate a serious debate on these issues," Mr. Haas said.

On the matter of covers for agents, for instance, "One's use of embassy cover is getting limited," he said, "and it's worth raising: 'Does it still make sense to rule out altogether using journalists and the clergy? It may, but the answer should not be automatic.'"

In addition to urging policymakers to consider expanding the range of covers for agents, the panel also recommended declassifying information about the financing and other elements of intelligence programs, a proposal that has been pursued in vain for several years in Congress.

The recommendations come as the CIA has drawn criticism for cases like that of the confessed spy Aldrich H. Ames and embarrassing operations in Guatemala and France. These have led to a cutback in clandestine operations.

John Mottern/Agence France-Presse
Steve Forbes addressing New Hampshire Rotarians.

Dole's New Best Friend: Gramm

By Dan Balz
Washington Post Service

CEDAR RAPIDS, Iowa — For the first time in his long campaign for president, Senator Bob Dole of Kansas, the majority leader, may be secretly rooting for his longtime nemesis, Senator Phil Gramm of Texas.

After erecting his candidacy largely on the image of inevitability, Mr. Dole is suddenly scrambling to shore up his campaign in the face of an unexpectedly strong challenge from Steve Forbes, the wealthy publisher, and criticism for a lackluster performance delivering the Republican response to the State of the Union Address.

Mr. Dole's once-commanding leads in Iowa and New Hampshire, the two key states that will kick off the fight for the Republican nomination, have narrowed dramatically since the beginning of the year. In New Hampshire, polls show the race has tightened to the point Mr. Dole now must worry about an upset in the state that cost him the nomination in 1988.

"The combination of these recent polls in New Hampshire and Senator Dole's performance makes the point very quickly that they're in a battle," said Whit Ayres, the poller for Lamar Alexander, the former Tennessee governor.

Mr. Dole said criticism of his speech — leading to prompt attacks by rivals that he was not up to the battle with President Bill Clinton — was the work of the liberal press.

"They're having little heart palpitations about it because it's not the message the liberal media likes to hear," Mr. Dole said while campaigning in Rapid City, South Dakota. "If you don't sing their songs, you don't get good reviews."

His campaign manager, Scott Reed, focused his fire on Mr. Forbes and said the next 10 days would determine whether he is a serious challenger to Mr. Dole or a political comet that disappears in the sky.

ELECTION '96

"We knew somebody would emerge," Mr. Reed said, "but the more Iowans and New Hampshireites learn about Steve Forbes and some of his ideas, we think they're going to reject him."

It was Mr. Forbes and his checkbook that shook up the Republican race, but here in Iowa many voters are raising questions about his proposal for a flat-rate income tax and in New Hampshire, Governor Steve Merrill, a Republican and a Dole supporter, is telling people he believes Mr. Forbes has a "glass jaw" on the issue of taxes.

Mr. Forbes threatens Mr. Dole now in large part because he has begun to consolidate the anti-Dole vote in the Republican electorate. The more Mr. Dole can splinter the opposition, the easier it will be for him to win the nomination.

Which is why Mr. Gramm, long feared by Mr. Dole campaigners as their likeliest rival for the nomination, could become Mr. Dole's new best friend, at least here in Iowa.

What the Dole camp least wants to see is Mr. Forbes's finishing second in Iowa on Feb. 12 and surging into New Hampshire for the primary eight days later. Stopping Mr. Forbes in New Hampshire, they believe, will be far easier if they stop Mr. Forbes in Iowa.

Mr. Dole remains the overwhelming favorite to repeat his 1988 victory in Iowa, although his huge lead has been shrinking.

The latest poll showed Mr. Dole leading the pack at 26 percent, with Mr. Forbes at 18 percent, Mr. Gramm, Mr. Buchanan and Mr. Alexander at 7 percent, Alan Keyes at 6 percent, Senator Richard G. Lugar of Indiana at 3 percent, the businessman Morry Taylor at 2 percent and Representative Robert K. Dornan of California at 1 percent.

The poll was conducted for KCAU-TV in Sioux City, Iowa, but polling in the state is particularly difficult because predicting which voters will turn out for the time-consuming caucuses is more difficult than predicting who will show up at a primary.

■ Buchanan No. 1 in Alaska

Mr. Buchanan and Mr. Forbes finished a close first and second in Alaska's Republican presidential straw poll, The Associated Press reported from Anchorage.

Each candidate received nearly twice the votes that Mr. Dole got. Both men touted as significant the strong anti-Dole showin. But Mr. Dole, campaigning in Iowa, professed ignorance of the results, saying that "it's not particularly significant."

POLITICAL NOTES

Cabinet Trio on the Road

WASHINGTON — They are among the people Bill Clinton brought to Washington to give his cabinet the face of America. The new-age, government-can-do-good thinkers who were supposed to help him enact the new Democratic agenda for the 1990s.

But when a Democratic president stands before Congress and proudly proclaims that "the era of big government is over," it is a painful reminder that the political tides have turned against them.

Robert B. Reich, secretary of labor; Henry G. Cisneros, secretary of housing and urban development, and Donna E. Shalala, secretary of health and human services, have all survived a Republican-led Congress hell-bent on cutting their programs and a White House that periodically, ever so discreetly, gripes that they are still singing from a liberal songbook well after the tune has changed.

Now, after being pushed out of the limelight, they may finally have the chance to return to the stage, if not its center, this campaign season: In the absence of big policy-making roles, they can be repackaged as useful political surrogates for President Clinton.

In these days of triangulation and the third way, when a Democratic president spends much of his time trying to stake out the center and co-opt Republican themes, somebody has to take care of the Democratic base.

On the day after Clinton delivered the State of the Union Message last week, the three secretaries fanned out across the United States to "amplify" the president's message, as the White House put it. While such salesmanship is a ritual, this year it seemed to promote politics even more than policy.

"You will actually see the country changing before your eyes," Ms. Shalala said of the November elections, in a session with students at Union College in Schenectady, New York. "Pay attention, or it may not turn out as good for your children."

Mr. Cisneros acknowledged in an interview before he went to Toledo, Ohio, that while he wanted to talk about "getting gangs and guns and drugs out of public housing, Toledo just happens to be in Ohio. That is a key state for the president." As for places he is going — Chicago, Philadelphia, New York, Buffalo, Boston — he said, "All those cities just happen to match up with some key states as well." *(NYT)*

Debate Sites Chosen

HARTFORD, Connecticut — The nonpartisan commission that organizes the presidential and vice-presidential debates recommended on Monday that St. Louis, Missouri; St. Petersburg, Florida.; San Diego and Hartford, Connecticut, be the sites for four debates this fall.

The Commission on Presidential Debates, which sponsored and produced the debates in 1988 and 1992, has scheduled the first debate between the presidential candidates on Sept. 25, at Washington University in St. Louis, where the opening debate was held four years ago.

There would be a debate Oct. 2 between the vice-presidential candidates at the Civic Center in Hartford, and presidential debates Oct. 9 at the Bayfront Center in St. Petersburg and Oct. 16 at the University of San Diego.

The commission has proposed that each debate last 90 minutes. Under its plan, the first debate and the vice-presidential debate would have the candidates seated with a moderator who would pose questions. The second debate would have members of the audience pose questions in a town-meeting format. The final debate would have both candidates standing behind lecterns and receiving questions from a moderator.

The format and schedule are subject to approval by the presidential candidates.

The announcement on Monday ended nine months of competition for the events from as many as 45 cities. *(NYT)*

Quote/Unquote

Senator Bob Dole, accusing the media of giving Steve Forbes a free ride in the campaign for the Republican presidential nomination: "Maybe he owns stock in all these networks. Somehow they don't seem to bother him. They'd rather focus on Bob Dole, the front-runner." *(Reuters)*

AMERICAN TOPICS

A Drug Detector Branded Phony

Schools, consumers and law-enforcement agencies wasted more than $1 million on worthless devices marketed as able to detect hidden drugs or explosives, federal prosecutors say.

They said Quadro Corp. of Harleyville, South Carolina, has been temporarily barred from making, selling or distributing its Positive Molecular Locator, also known as a Quadro Tracker.

Company officials were ordered to appear in federal court to determine if the order should be made permanent. A criminal investigation was also under way.

The black plastic box and its accessories cost from $395 to $8,000. Authorities said the box contains only a fake computer chip.

Brochures falsely claimed endorsement by federal law-enforcement agencies and said the device could detect drugs "on or in a person, or even in the bloodstream."

"The only thing this accurately detects is your checkbook," said an FBI agent, Ronald W. Kelly.

About 1,000 of the devices are known to have been sold for a total of more than $1 million.

Short Takes

Why does snow melt faster around a tree trunk? Because, says the science queries column of The New York Times, most tree trunks are dark in color and absorb heat energy from the sun, so that the heat level at the base of a tree is higher than it is just outside the ring that appears in the snow. Tree trunks also reduce wind currents, so there is somewhat less snow buildup to begin with.

Sales of "The Right to Privacy," a book by Ellen Alderman and Caroline Kennedy about privacy laws, have gone through the roof since it was recommended by Ann Landers, the advice columnist, as "eye-opening and educational," and "well worth the money."

One senior publishing executive told The New York Times that the plug was to make up for comments in the December issue of The New Yorker magazine in which Miss Landers was quoted as calling Joseph Kennedy Sr., Miss Kennedy's grandfather, a "monster."

But a spokesman for Creators Syndicate, which syndicates the Landers column, replied: "She simply loved the book. That's it."

Henny Youngman, who fell in his apartment Jan. 9, even has one-liners for a broken hip. "The guy who operated on me was a robber," the 89-year-old comic was quoted by his assistant, Paula Goldin, as saying. "He wore a mask."

Surgeons inserted a pin, and the comic is getting around with the aid of a walker. "He turns 90 on March 16," Miss Goldin said, "and we hope he'll be dancing at the party."

International Herald Tribune

The Question Is Welfare: Clinton's or the Republicans'

By Robert Pear
New York Times Service

WASHINGTON — In a shift that could cause intense political difficulty for the White House, many leading House Republicans say they now want to pass the Senate version of a welfare bill that President Bill Clinton endorsed four months ago.

If he signed the bill, Mr. Clinton would infuriate many liberals in his own party. But if he vetoed it, he would disappoint voters hoping that he would fulfill his campaign promise to "end welfare as we know it."

For members of both parties, the decision about how to proceed is made complicated by election-year politics and is full of peril.

The White House and congressional Republicans both have strong views about the need for change in federal aid to the poor.

The new Republican majorities in both houses passed separate welfare bills last year. Mr. Clinton declared that the House proposal was too harsh. But to the dismay of many Democrats, he said last summer that he could accept the version drawn up in the Senate, though he later voiced concerns about the possibility that it would impoverish hundreds of thousands of children.

When House and Senate Republicans compromised and passed a welfare measure late last year, Mr. Clinton vetoed it, because it had adopted some of the harsh measures originating in the House.

Republican leaders in the House say they believe they can exploit that veto in the coming election campaign by confronting Mr. Clinton with the proposal he supported in the past, the Senate's.

Representative E. Clay Shaw Jr., Republican, a Florida Republican who is the chairman of the Ways and Means subcommittee responsible for welfare legislation, said, "I favor taking the Senate bill up, passing it, sending it over to the Senate and then sending it to the president."

Most Republicans on the Ways and Means Committee share that view, Mr. Shaw added.

And Representative Jimmy Hayes of Louisiana, a Democrat who switched to the Republican Party last month, said that he, too, wanted to send the Senate bill to the White House, in the hope that Mr. Clinton would sign it. He sees advantages for Republicans either way.

"If he signs the bill," Mr. Hayes said, "he will put himself at odds with many members of his own party, but it's good legislation and would make a vast improvement over the status quo. On the other hand, if he vetoes it, he will put himself at odds with his own past statements and show that he's not serious about welfare reform."

But other Republicans say they fear that if they send the bill to Mr. Clinton, he will sign it and take credit for improving the welfare system, depriving Republicans of a potent election issue.

Aides to the House speaker, Newt Gingrich, said he was still discussing strategy with fellow Republicans and had not decided whether to move the bill forward at this time.

Away From Politics

• **A judge in Chicago** has sent a 12-year-old boy to a juvenile penitentiary, making him the nation's youngest inmate at a high-security prison. The boy and a 13-year-old boy were convicted of murdering a 5-year-old, when they were 10 and 11. *(NYT)*

• **Prosecutors will seek the death penalty** for Sergeant William Kreutzer of the army, who is charged with the murder of a fellow soldier and with wounding 18 others in a sniper attack last fall. *(AP)*

• **Lieutenant Commander John Stacy Bates**, the navy pilot who crashed his fighter jet into a residennal neighborhood of Nashville, Tennessee, lived through a similar accident last year, the navy said. *(Reuters)*

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ASIA

Despite End of Atomic Tests, Asians Remain Angry With France

By Michael Richardson
International Herald Tribune

SINGAPORE — Anger in Asia and the Pacific over French nuclear weapons testing remains high despite an earlier-than-scheduled end to the program, and many countries are now determined to strengthen anti-nuclear measures in the region.

In addition, analysts say that the cessation of the French program will increase pressure on China to halt its testing and sign a global test ban treaty.

Although French commercial interests in Asia suffered only marginally from intense regional opposition to nuclear tests by France, its prestige has been seriously damaged and will be more difficult to repair, officials said Tuesday.

"I don't think we will ever forget the irresponsibility that was associated with these tests," said Foreign Minister Gareth Evans of Australia. "At a time when the world was turning its face away from nuclear weaponry, this exercise sent absolutely the wrong signal, particularly to those countries that are on the borderline of becoming nuclear weapon states."

In announcing an end to the South Pacific tests on Monday night, President Jacques Chirac attempted to play down France's isolation on the issue and play up its new enthusiasm for nuclear arms control.

NEWS ANALYSIS

But countries in the region gave the announcement only a qualified welcome, saying it had been forced on Paris by an international campaign of protest that they helped to lead and coordinate.

"It is deeply regrettable that France defied protests from Japan and the international community and conducted nuclear tests six times," said Seiroku Kajiyama, Japan's chief cabinet secretary. That was unusually blunt comment from Tokyo and summed up the anger the tests aroused in the only country to have been bombed with atomic weapons.

Ieremia Tabai, secretary-general of the South Pacific Forum, which represents the region's 16 independent and self-governing countries, said that the group hoped cessation of French testing would mark the end of all nuclear activity in the area.

He said that the forum expected France, the United States and Britain to act quickly on their promises to sign supporting protocols of a treaty banning nuclear weapons from the South Pacific.

France was ending "a program which should never have started," said Prime Minister Paul Keating of Australia. "To find a major democracy like France testing weapons of this kind, at this point after the Cold War has ceased, was completely unacceptable."

Analysts said the French tests — curtailed four months ahead of schedule after six underground blasts instead of the originally intended eight — had made many Asia-Pacific nations eager to bolster anti-nuclear mechanisms, including the recently signed treaty declaring Southeast Asia a zone free of nuclear weapons.

China is the only one of the five declared nuclear powers still holding out against a ban on all nuclear explosions. It is also the only Asia-Pacific state with a nuclear arsenal.

Beijing said Tuesday that it supported international efforts, now under way in Geneva, to negotiate a comprehensive test ban treaty and pledged to abide by such a pact, but only after it takes effect, probably not before 1999. A spokesman for the Chinese Foreign Ministry, Chen Jian, indicated that until then, China planned to continue to conduct "a very limited number of nuclear tests" each year.

Officials also said French testing had encouraged other Asian countries, like India and Pakistan, that have ambitions to become nuclear powers, to do so — at a potentially devastating cost to regional stability and security.

Mr. Evans said that while Australia was ready to restore "fully normal" ties with France, "This chapter is by no means closed, and it won't be until we can be confident that there has been no environmental damage" as a result of French testing in the South Pacific.

Australia, New Zealand and other members of the forum have demanded that Paris open to inspection by outside experts its test sites at Mururoa and Fangataufa atolls in French Polynesia and make available the scientific data collected by France on the impact of the underground tests since it began them in 1975.

Mr. Evans said that if there was any evidence of radioactive leakage that could harm human health and the environment, Australia would hold the French government responsible and take the lead in seeking compensation.

Prime Minister Jim Bolger of New Zealand noted that when Mr. Chirac announced in June that testing would resume in the South Pacific, he broke a moratorium imposed three years earlier by his predecessor, François Mitterrand.

"The Pacific will look at the French with a careful eye for some years to see whether or not there is anything else they're going to go back on," Mr. Bolger added.

China's 'Schedule' for Taiwan

After Colonies, Beijing Wants Taipei Back in Fold

By Patrick Tyler
New York Times Service

BEIJING — China on Tuesday took the first step toward setting a time frame for the reunification of Taiwan with the Chinese mainland, saying that after the return of Hong Kong and Macao to Chinese sovereignty in 1997 and 1999, respectively, reunification with Taiwan would become a top priority.

The significance of China's assertion that there is a tentative schedule for reunification is that it raises the question of whether the Communist Party leadership has set a limit on its patience for re-establishing control over the island of 21 million people off its southeastern shore, and whether Beijing's leaders will abandon their longstanding commitment to "peaceful reunification" in favor of a more coercive approach.

The statements made Tuesday come against a backdrop of the most serious tension in the Taiwan Strait in decades. The efforts by President Lee Teng-hui of Taiwan to gain greater international recognition for the island are being interpreted in Beijing as a drive toward independence. China has conducted extensive military exercises in waters near Taiwan since last summer to signal its hostility toward Mr. Lee.

In addition, China on Tuesday criticized the passage of the American aircraft carrier USS Nimitz through the Taiwan Strait on Dec. 19. A Foreign Ministry spokesman, Chen Jian, said that while the Taiwan Strait is an international waterway where foreign warships have a right of "harmless" or "innocent" passage, China is nonetheless "highly concerned" that an American aircraft carrier would pass through the strait "in view of the situation."

A White House official said the decision to send the Nimitz through the strait was made by the commander in chief of Pacific forces, Admiral Richard Macke, without consulting Washington, and was "weather related."

The new statements on Taiwan policy were delivered in an address by Prime Minister Li Peng, and followed by editorials in government-controlled newspapers..

The theme of these statements was that reunification could no longer be delayed "indefinitely."

In the most direct formulation, Mr. Jian said that after 1999, "the settlement of the question of Taiwan and the accomplishment of the reunification of the motherland will be on the top of the agenda."

The Communist Party newspaper, the People's Daily, also referred to the post-1999 period, saying, "the solution to the Taiwan question — for the completion of the historical mission of reunifying China — will emerge as more outstandingly important than ever before."

The new formulations fell short of setting a deadline, but they were significant in suggesting an urgency among Communist Party leaders to force the issue of reunification with Taiwan once Hong Kong and Macao return to Beijing's rule after a long period of control by Britain and Portugal.

"These statements by Chinese leaders underscore that the Taiwan issue is not going to go away and that the next generation of Chinese leaders will very likely press for a resolution within a foreseeable future," said one specialist who has advised several U.S. administrations on policy toward Beijing.

The occasion for Tuesday's statements was the one-year anniversary of an address on Taiwan by President Jiang Zemin, who has sought to draw Taiwan into negotiations to establish greater ties in trade, air travel and shipping across the narrow Taiwan Strait that separates the mainland from its estranged province.

The address by Prime Minister Li carried reassurances that China's approach to reunification would be based on the same "one country, two systems" covenant that Beijing has offered Hong Kong.

"We fully respect the lifestyle of our Taiwanese compatriots and their aspiration to become masters of their own destiny," Mr. Li said, adding, "We sincerely hope that our Taiwanese compatriots will work together with us to create a new form of relations between the two sides."

The Associated Press
Indian farmers, who accuse Kentucky Fried Chicken of serving unhealthy food, attacking Bangalore outlet Tuesday.

Burmese Opposition Leader Questions ASEAN Plan

Agence France-Presse

RANGOON — The opposition leader, Daw Aung San Suu Kyi , says ASEAN's policy of constructive engagement with the Burmese junta is flawed because it concentrates on economic prospects at the expense of political change.

In an interview at the lakeside home where she spent nearly six years under house arrest until last July, Daw Aung San Suu Kyi suggested Monday that tourists should avoid Burma to show they support calls for democratic reforms.

She disputed government assertions that economic development was on a sustainable upward track and would eventually lead to the country's democratization.

Economic "half-measures" taken by the junta will not bring democracy, she said. "It will only lead to a widening gap between the haves and the have-nots, which is, in fact, inimical to democracy."

Only by spreading wealth throughout all segments of the nation can democracy be bolstered, she said.

"But actually, it works both ways," she said. "You won't get that kind of economic development without democracy."

Daw Aung San Suu Kyi said she regretted that the constructive engagement policy followed by the Association of Southeast Asian Nations, or ASEAN, seemed to ignore the opposition but courted the junta.

"Constructive engagement, to be effective, should be engaged with all parties concerned," she said.

In her view, ASEAN should be having second thoughts about the early admission of Burma, which would join Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

"Apart from anything else, I do not think the Burmese economy is in as good a shape as ASEAN would like it to be," she said.

She also noted that her National League for Democracy was less than enthusiastic about the junta's plans to earn more dollars by promoting a special year of tourism, starting in the fall.

"I do not think that it would help very much if the coming of tourists is taken to mean that people don't care whether or not there is democracy in Burma," she said. "I think for tourists, too, there is a time to come and a time not to come."

Farmers Ransack U.S. Chain In India

Compiled by Our Staff From Dispatches

BANGALORE, India — Nearly 100 farmers broke through a police cordon Tuesday and ransacked a Kentucky Fried Chicken outlet, demanding that the multinational fast-food chain leave India.

Taking a small police guard outside the restaurant by surprise, the farmers broke the glass front and smashed furniture, sending more than 50 customers fleeing.

Protesters threw down hundreds of pamphlets saying: "Boycott KFC. Beware of chemically poisoned chicken."

The police arrested about 100 people, the United News of India news agency said. No injuries were reported.

In a statement, Kentucky Fried Chicken, a subsidiary of the U.S. giant PepsiCo Inc., said it was "shocked and appalled" by the attack.

"We strongly condemn this act of vandalism," it said. "In a democracy, such acts are unjustified and cannot be considered to be a substitute for legitimate means of protest."

"We are legitimate investors and have got all central and state government clearances to set up operations here," the company said.

It appealed to the state government "to take any course of action within the law to enable us to conduct our operations in Bangalore in a normal manner."

N. A. Muthannna, the home secretary of Karnataka state, of which Bangalore is the capital, said the authorities would "restore protection to Kentucky Fried Chicken and see that chicken is served."

India's first Kentucky Fried Chicken outlet ran into trouble soon after it opened last June, when a nationalist farmers' organization charged that its food was unhealthy, and sought to have the U.S.-based chain thrown out of India. Since then, police have been stationed outside the restaurant in Bangalore.

Within three months, KFC was closed by local authorities, but it reopened hours after appealing to the state High Court.

Local authorities claimed that KFC's recipe used more than double the permitted amount of monosodium glutamate, a taste-enhancer.

(AP, AFP)

BRIEFLY ASIA

Pakistan and India Trade Charges

ISLAMABAD, Pakistan — Pakistan and India accused each other Tuesday of heightening regional tension, and India said talks between border guards of the two countries had failed.

India said Pakistan had directed sustained fire at its troops across a line of control in the disputed Kashmir region for the last few days.

But Pakistani officials denied the charge and accused Indian troops of repeated violations of what they called a "working border" between Kashmir, governed by India, and Pakistan's central province of Punjab.

Foreign Minister Aseff Ahmad Ali of Pakistan said that "India will pay a heavy price for its actions." *(Reuters)*

Manila Clears the Chinese Navy

MANILA — The Philippine Navy's chief said Tuesday that Chinese pirates were "most likely" to have been the intruders who clashed with one a gunboat last week.

Vice Admiral Pio Carranza said an investigation had ruled out involvement of the Chinese Navy in the incident off Luzon island in which the Philippine boat was hit three times by bullets, possibly from AK-47 rifles.

"This was civilian," the admiral replied when he was asked if the Chinese military might have been involved. *(Reuters)*

Okinawa Asks End to U.S. Bases

TOKYO — Okinawa, home to key U.S. military bases, formally asked the Japanese government Tuesday to close them all in 20 years.

Central government officials, under pressure on the issue because of the alleged role of three U.S. servicemen in the rape last year of an Okinawan schoolgirl, neither accepted nor rejected the demand. But the formal call raised the stakes in an issue that has already harmed U.S.-Japan security ties and threatens to cloud a visit in April by President Bill Clinton.

The request was made at a meeting of the Okinawa-Central Government Liaison Council, a body set up to discuss the bases' future following the rape of the 12-year-old girl in September. *(Reuters)*

Tamil Tigers Keep Pressure High

COLOMBO — Tamil Tiger guerrillas set off a bomb in Sri Lanka's east Tuesday, keeping up pressure on government forces who suffered heavy casualties the day before, the military and rebels said.

At least one civilian was killed when the guerrillas exploded a bomb at Kalmunai, 40 kilometers (25 miles) south of Batticaloa, military sources reported. Security forces found and defused another rebel bomb at Kalawanchikudi, a few kilometers north of Kalmunai, they added. *(Reuters)*

VOICES From Asia

President Shankar Dayal Sharma of India, urging compassion for people afflicted with leprosy: "They are viewed not as sufferers of a terrible disease but as a threat to society. Instead of care, compassion and understanding, those suffering from leprosy are still socially ostracized and abused." *(Reuters)*

Prime Minister Paul Keating of Australia, attacking the opposition leader John Howard by likening him to a hedgehog: "He is rolling himself into the smallest ball possible so that he doesn't need to be accountable. He is hiding." *(Reuters)*

15,000 Protest New Security Law In the Philippines

Reuters

MANILA — Thousands of Filipinos joined protests on Tuesday against a tough new security law they view as repressive.

About 15,000 people took part in marches in several cities as business leaders and the Roman Catholic Church led attacks on the measure, which many people fear could mean a return to martial law.

President Fidel V. Ramos, in an address marking the anniversary of the establishment of the national police, said the country needed the law to battle terrorism.

"Or else," Mr. Ramos said, "we will find ourselves with one hand tied behind our back in dealing with this powerful challenge in our midst."

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Britain Won't Drop Proposal for Ulster Vote

Compiled by Our Staff From Dispatches

BELFAST — Britain bluntly rejected demands from Sinn Fein, the IRA's political arm, on Tuesday that it scrap a proposal for elections in Northern Ireland in favor of immediate all-party peace talks.

"No, the answer to that is no," Britain's minister for the province, Sir Patrick Mayhew, said after talks with Gerry Adams, the Sinn Fein leader. The talks had been called at short notice to try to calm nationalist anger over Britain's election proposal.

At the 75-minute meeting, Mr. Adams urged Sir Patrick to drop the idea, which was put forward last week to the annoyance of the Dublin government.

Sinn Fein says elections are a further device by London to stall the group's involvement in talks aimed at turning 17-month truces by rival guerrilla groups into a permanent peace.

Mr. Adams also said it was unrealistic to expect the IRA to hand in their huge caches of weapons before such talks. Britain says rival guerrillas, who fought for 25 years over the future of British rule, must disarm to prove their commitment to peace.

"The only way to clarify this from the British government's point of view," Mr. Adams said, is for Prime Minister John Major to "publicly retract on the election diversion" and also to "publicly drop his preconditions for an IRA surrender of weapons."

Britain says that since the banned Irish Republican Army and Protestant Loyalists refuse to bow to its demand to hand over weapons before talks, an election might be an alternative way to create a climate for progress on the impasse.

"What the prime minister has said is it's all about confidence," Sir Patrick said, adding that "people sitting around the negotiating table are committed to democratic and peaceful means."

Sir Patrick assured the pro-Irish Catholic minority that elections would not herald a return to one-party rule by the Protestant majority, who held sway in the old "Stormont" assembly near Belfast until London abolished it in 1972.

Sir Patrick called the proposed vote an "election to the talks process."

"We don't envisage an assembly or anything with legislative, administrative or executive powers," he said.

Mr. Major provoked fury from the Irish government, which said he had not consulted it about the election proposal and was breaching a joint strategy for peace, launched in December 1993.

Ireland says Britain should take up a proposal from a U.S. mediation team, which reported last week, for all-party talks alongside gradual decommissioning of arms.

Later Tuesday, John Hume, leader of the moderate Catholic Social Democratic and Labor Party, will meet Mr. Major in London to urge him to retreat from the election idea.

Mr. Adams is to travel to the United States on Wednesday to lobby against the proposal. The Northern Ireland junior minister, Michael Ancram, arrived in the United States on Monday to brief politicians on his government's position.

As the dispute over the peace process continued, a gunman killed a leading IRA dissident Tuesday in Catholic West Belfast as he went to collect his welfare check, the police and witnesses said.

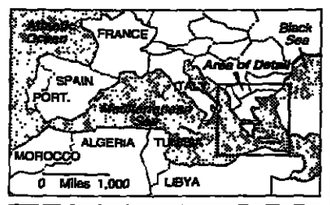
The police identified the dead man as Gino Gallagher, acting chief of staff of the outlawed Irish National Liberation Army. The small band of diehards, which broke away from the Irish Republican Army in 1975, has a murderous history of internal feuding.

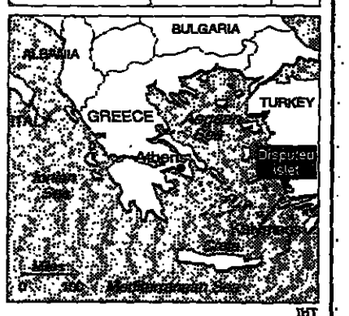
Detective Chief Superintendent Derek Martindale said Mr. Gallagher was shot several times in the back and the back of the head "at point-blank range." *(Reuters, AP)*

Crispin Rodwell/Reuters

Martin McGuinness, left, and Gerry Adams, Sinn Fein leaders, after talks Tuesday with Sir Patrick Mayhew.

Greeks Face Turks Near Desolate Isle





IHT

Compiled by Our Staff From Dispatches

ATHENS — Greece and Turkey gathered military forces Tuesday near a small barren isle in the Aegean that both countries claim.

The Greek defense minister, Gerasimos Arsenis, said a Turkish ship and helicopter had violated Greek air and sea space near the islet, which the Greeks call Imia, and had been warned off by Greek forces. The islet is one of dozens assigned to Greece under a 1947 convention.

The Turks claim it, too, calling it Kardak, and say it is theirs under a treaty with Italy, signed in 1932, which stated that all the Aegean islets within 18 kilometers of the coast belonged to the nearest country.

The desolate real estate — 10 acres of rock — is pinched between the Greek island of Kalymnos and the Turkish shore.

"We do not want escalation of the crisis," the Greek defense minister said. "If the other side is sincere and also wants de-escalation, it should remove its presence from the area, from our waters, from our air space."

Mr. Arsenis said Turkey had a frigate, two missile patrol boats and two ordinary patrol boats in the vicinity of Imia and another frigate a bit farther off.

The Greeks said they had 12 vessels in the vicinity, and live television reports showed an array of navy ships, from frigates to submarines, steaming out of Greek ports stretching from Piraeus, near Athens, to Crete.

A Turkish Foreign Ministry statement called on the Greek troops "based on the Kardak rocks to be immediately recalled and for all signs that attempt to prove Greek sovereignty to be immediately removed."

The troops had been sent to protect the Greek flag on the rocky outcrop.

Turkey will discuss the dispute once Greek forces are withdrawn, said the Turkish deputy foreign minister, Onur Oymen. He said his country considered the present situation unacceptable.

On Monday, Prime Minister Costas Simitis warned Turkey that Greece would tolerate no questioning of its sovereign rights, provoking a similar assertion from Prime Minister Tansu Ciller of Turkey.

The two countries appeared to approach hostilities in 1987 over rival claims to undersea mineral rights in the Aegean. *(AP, Reuters, AFP)*

Italians Try Again On Accord

Reuters

ROME — Representatives of Italian political parties began trooping through the office of President Oscar Luigi Scalfaro on Tuesday in an effort to end the country's political uncertainty.

The meetings are the third round of consultations Mr. Scalfaro has had with the parties since the resignation of Prime Minister Lamberto Dini on Jan. 11.

Mr. Dini, a former central banker, was appointed by Mr. Scalfaro after Prime Minister Silvio Berlusconi's coalition collapsed at the end of 1994. Mr. Dini in turn resigned when it became clear that he could no longer count on the support of a majority in Parliament, and has headed a caretaker government since.

Mr. Scalfaro has threatened to dissolve Parliament and call a general election three years ahead of schedule unless the divided center-left and center-right blocs can agree on a package of constitutional reforms and a government to see them through.

Newspapers said Mr. Scalfaro was likely to announce his decision on Thursday after completing the consultations. The talks begin on Tuesday afternoon (1500 GMT) and end on Wednesday evening.

The biggest hurdle to resolving the matter has come from within the center-right Freedom Alliance group led by Mr. Berlusconi.

His main ally in the alliance, the conservative Gianfranco Fini, has demanded that an agreement include changes to the electoral system allowing the direct election of the prime minister. Mr. Fini says that move would bring more stability to a country that has had 54 governments since the end of World War II.

He repeated his demand in an interview in the newspaper Il Giornale, owned by Mr. Berlusconi's brother Paolo.

"Our main point is that the legitimacy of the prime minister derives from the votes this person receives and not from the number of seats the majority has won in Parliament," Mr. Fini said.

The center-left is opposed to direct election of the prime minister. Massimo D'Alema, whose Democratic Party of the Left is the biggest in the center-left bloc, said Monday that the Freedom Alliance must agree to a compromise deal on the reform program or he would ask Mr. Scalfaro to dissolve Parliament.

The newspaper Corriere della Sera suggested that Mr. Scalfaro could appoint a new government headed by a "mediator" prime minister whose job it would be to persuade Mr. Fini to compromise.

It said such a government could be headed by Mr. Dini or some other former prime minister.

BRIEFLY EUROPE

Poland's Coalition Gets a Push

WARSAW — President Aleksander Kwasniewski of Poland said Tuesday that he would designate a new prime minister by Thursday if the country's two governing parties had not picked a candidate by then.

He said in a radio interview that if the coalition failed to agree on a prime minister, "I will certainly designate someone before I leave on Feb. 1." Mr. Kwasniewski plans to attend an annual gathering of business and political leaders that opens Thursday in the Swiss resort of Davos.

The two parties were trying on Tuesday to hammer out the specifics of a cabinet shuffle forced by the resignation last week of Prime Minister Jozef Oleksy over allegations, which he denies, that he had spied for Moscow.

Mr. Oleksy's Democratic Left Alliance, a party of former Communists, and the smaller Polish Peasant Party could not agree Monday on which should get the prime minister's post and other key jobs. *(Reuters)*

Kohl Protégé Goes on Trial

BERLIN — Chancellor Helmut Kohl's first political protégé in East Germany, Wolfgang Schnur, went on trial Tuesday on charges of betraying legal clients to the Stasi security police before the fall of the Berlin Wall in 1989.

Mr. Schnur, who denies the charges, was the lead candidate in a conservative "Alliance for Germany" that Mr. Kohl brought together for East Germany's first democratic election in March 1990.

But his secret 25-year career as an informant for the Stasi was revealed only days before the vote and Mr. Schnur withdraw from the race in disgrace.

The Berlin prosecutor has charged him with betraying two jailed dissidents in 1988. *(Reuters)*

EU Condemns Coup in Niger

BRUSSELS — The European Union on Tuesday condemned the coup d'état in Niger and said it had suspended development aid for up to six months.

"The EU deplores the decision of the military to take over power, to overthrow democratically elected authorities and to suspend the constitution and political parties," the Union said in a statement.

Lieutenant-Colonel Ibrahim Bare Mainassara, who ousted Niger's first democratically elected president, Mahamane Ousmane, on Saturday, said Monday that he had no plans to hang on to power. *(Reuters)*

Calendar

European Union events scheduled for Wednesday:

BRUSSELS: Plenary session of the European Parliament (also Thursday), with a speech by the president of the European Commission, Jacques Santer, on employment and current events.

BRUSSELS: Marcelino Oreja, commissioner for information policy, meets with Prime Minister Jean-Luc Dehaene of Belgium. *Sources: Agence Europe, AFP*

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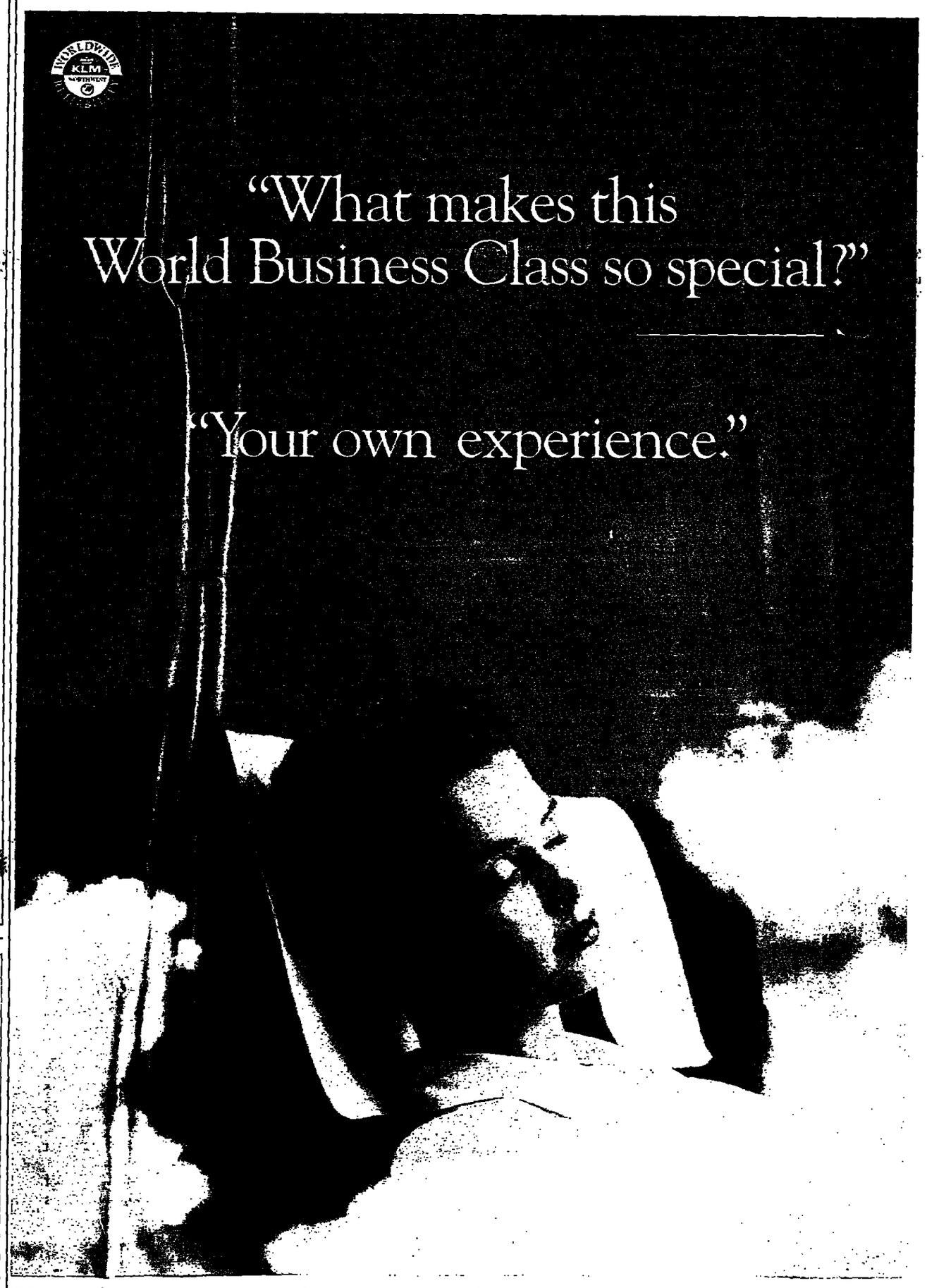

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INTERNATIONAL

In Heart of Gulf, U.S. Fleet Keeps Wary Eye on Saddam

By Douglas Jehl
New York Times Service

MANAMA, Bahrain — Five years after the Gulf War, a dozen U.S. Navy cargo ships laden with tanks, armored vehicles and other military equipment are anchored off the coast here, reflecting the wariness of U.S. forces that Iraq might start the conflict again.

Until late last summer, the cargo ships were stationed at Diego Garcia, a U.S. base in the Indian Ocean, and in other ports, ready to rush anywhere in the world.

But that changed when Defense Intelligence Agency analysts concluded that Iraqi military forces had developed the capacity to send five armored divisions into Kuwait on 12 hours' notice.

That warning set off alarms in Washington and the U.S. Central Command, which has charge of forces in the Middle East, according to diplomats and military officials.

They say that the warning was the prime factor in a decision to transfer the seaborne stockpiles — enough to equip a full Marine Corps division and an army brigade — to the heart of the Gulf. "Without any question, there was an attempt to enhance our combat personnel in the Gulf," a Western diplomat said of the reinforcement, which has left the narrow waterway crowded with more U.S. vessels than at any time since the war.

Compared with October 1994, when a sudden buildup of Iraqi military forces near the Kuwaiti border prompted President Bill Clinton to send some 9,000 soldiers back to the region, the latest movement of U.S. personnel has been on a relatively small scale.

It included no ground troops and only a few navy personnel, but it allows more than 20,000 troops to be outfitted with heavy weapons on short notice. Additional U.S. warplanes were also sent to Bahrain and Kuwait and a military exercise in Kuwait was extended.

Diplomats and military officials said the movement reflected the unease of U.S. commanders troubled by reports of renewed Iraqi military capability last October.

The Iraqis "couldn't have won the war," a Western diplomat said, "but they might have won the battle, even with our air assets."

The need for rapid responses to Iraqi military movements was supposed to have been allayed after the crisis in October 1994 with the imposition by the United Nations of strict rules requiring that Iraq's most formidable forces be kept far from positions from which they could threaten Kuwait.

About 20,000 U.S. soldiers, sailors and airmen are now stationed in the Middle East, including 14,000 naval personnel and marines afloat between the Suez Canal and the Eastern Indian Ocean as part of the Fifth Fleet.

While officials have not seen a need to send more U.S. ground troops, they say the increased readiness of Iraqi forces has made it wise to send equipment to the region as a contingency.

Diplomats and military officials have declined to discuss in detail the causes of recent American concern, except to say that it has to do with changes in the way that Iraqi forces are deployed, trained and conduct exercises.

Some said that their perception of the threat had diminished, particularly now that Iraq has shown a new willingness to consider a UN proposal that would allow it to sell limited quantities of oil for the first time since the Gulf War.

Since that conflict ended, the United States has sought to persuade its regional allies to allow it to position the armored equipment needed for a rapid mobilization by U.S. ground troops.

It has now established one stockpile in Kuwait that can supply an Army brigade of about 5,000 troops, and U.S. forces are moving more equipment this month to a site in Qatar.

But the United States has been rebuffed in its attempts to establish a third site in Saudi Arabia, and the transfer to the Gulf of the shipboard stocks, which contain scores of tanks, armored personnel carriers, artillery pieces and other heavy equipment, may be an admission of defeat.

Military officials say that 35 U.S. military vessels are now afloat in the Persian Gulf. These include the aircraft carrier Nimitz battle group, a Marine Corps amphibious ready group and other vessels carrying a total of more than 10,000 naval personnel and marines.

An additional force of 18 Air Force F-16 jets that was sent to Bahrain this fall has returned to the United States. But diplomats and military officials say that no decision has been reached on when the cargo vessels will return to their usual bases.

Naval Missile Tested by Iran

Reuters

WASHINGTON — Iran has tested a Chinese anti-ship missile that presents a potential threat to oil shipping in the Gulf, the U.S. Navy commander in the region said Tuesday.

Vice Admiral Scott Redd, commander of U.S. naval forces in the Gulf area, said the Iranians test-fired a Chinese C-802 missile in the Arabian Sea just outside the Gulf on Jan. 6.

"This is a new dimension, another dimension of the Iranian threat to shipping," Admiral Redd said, adding that the missile had a range of up to 60 miles (100 kilometers). He termed the missile "in the deployment stage."

He declined to speculate on Iranian motives, but noted that Tehran had been increasing its naval strength and that Washington was watching over what he called Iran's desire to exert more influence in the Gulf region.

Disorder in an Israeli Courtroom

Lawyer Quits, and Rabin Trial Judge Calls Defense 'Pitiful'

Agence France-Presse

JERUSALEM — The murder trial of Yigal Amir, the confessed assassin of Prime Minister Yitzhak Rabin, slipped further into disarray Tuesday when a court-appointed defense lawyer quit after less than 24 hours on the case.

The attorney, Avraham Wachter, said he could not help defend Mr. Amir, a 25-year-old Jewish nationalist who has admitted killing Mr. Rabin to halt the Palestinian peace process, because the defendant insisted on attempting to construct a political defense for his actions.

"I spoke with the accused for less than an hour and he explained that he wanted to present an ideological case for his defense," Mr. Wachter, a former district attorney, told Israel Radio.

Mr. Wachter noted that since testimony began in the trial on Sunday, Mr. Amir, a third-year law student, had taken to interrogating witnesses himself while another of his attorneys, Jonathan Goldberg, remained largely silent.

"You can't defend someone who thinks he knows the legal profession better than his own attorney," Mr. Wachter said. "He doesn't want anyone to think he acted in a moment of insanity. He only wants to justify his act by ideological arguments."

"My role was to help the court handle this sensitive trial; but this is not possible if the defendant refuses to comply with procedures," he said. "I had no other choice but to resign."

Mr. Wachter's appointment and quick resignation was the latest in a series of incidents to disrupt Mr. Amir's trial, which held its fourth session Monday and is to resume on Thursday.

Mr. Goldberg, a U.S.-trained attorney who has little trial experience in Israeli courts, on Sunday requested a dismissal of the case, claiming he could not afford to hire expert witnesses. He declined to elaborate on what the financial problems involved.

Mr. Goldberg's hesitant handling of the case drew a scathing rebuke from the presiding judge, Edmond Levy, who said, "I have never in my career seen such a pitiful defense." The next day, Judge Levy appointed Mr. Wachter.

Legal experts said the disruptions and irregularities that have marked the trial posed a dilemma for Judge Levy but were unlikely to affect the outcome of the case.

"It's unusual but not unheard of for a defendant to represent himself, although I don't know if this has ever happened in a murder trial," said Kenneth Mann, an attorney and professor of Israeli law at Tel Aviv University.

He said the more serious challenge for the court was whether it could find an attorney who could work with Mr. Amir without legitimizing his ideological arguments.

Reni Shlosser/Reuters

A Palestinian suspect, right, on Tuesday re-enacting the stabbing death of an Israeli soldier at a military office in the West Bank. The suspect, who was quickly subdued, is believed to be a member of the militant Hamas group.

Clinton Backs Big Loan for Russia

Agence France-Presse

WASHINGTON — President Bill Clinton urged international lenders on Tuesday to approve a $9 billion loan to Russia.

The Russian prime minister, Viktor S. Chernomyrdin, in Washington for talks with Mr. Clinton and Vice President Al Gore, was to meet Thursday with the managing director of the International Monetary Fund and the president of the World Bank to negotiate the release of the loan.

"As far as I know," Mr. Clinton said, "they either have worked out or we are in the process of seeing worked out the differences between them. So I believe that the loan will go through, and I believe that it should. I do support it, strongly support it."

The loan has been the subject of strained negotiations between Russian officials and the IMF since the ouster by President Boris N. Yeltsin of several key architects of economic liberalization.

Moscow would be able to reschedule a public debt of $55 billion dollars if it wins the loan, which originally had been scheduled for approval in February.

Mr. Clinton said he was convinced, based on assurances from Mr. Yeltsin and Mr. Chernomyrdin, that "Russia is firmly moving forward on reform."

"They have had a good year in 1995," Mr. Clinton said. "I think that they have seen some real economic growth there, and it's a record they can be proud of."

ICE: *The Antarctic's Melting Shelves and the Mysteries of Global Warming*

Continued from Page 1

al temperature will rise by a "best estimate" of 3.6 degrees Fahrenheit (1.7 degrees centigrade) by 2100. The resultant melting of glaciers and thermal expansion of the ocean, the panel said, would cause the average global sea level to rise by a best estimate of 20 inches (0.58 meter).

The group said further warming and sea-level rise would take place after 2100. It also concluded for the first time that emissions of the heat-trapping gases, produced by the burning of coal, petroleum and wood, were probably responsible for at least part of a one-degree global warming observed over the last century.

While the new evidence of ice-shelf disintegration is provocative, scientists are uncertain whether it presages the destruction of the West Antarctic sheet. The quest to make sense of Antarctica's important but ill-understood climatic role has proved uncommonly frustrating.

"It's a bundle of laughs, I'll tell you," said David G. Vaughan, a glaciologist, who with his colleague, Dr. C.S.M. Doake, conducted the new study reported in Nature. "All the time, there are things that confound you."

For one thing, climatologists say that one effect of global warming is likely to be heavier precipitation. In Antarctica, this means a heavier accumulation of snow that does not melt, but rather compresses under its own weight into more ice. So a thickening of the ice may be the initial response of some ice sheets and shelves, say Mr. Vaughan and Mr. Doake.

For another thing, Antarctica is not warming uniformly. On the Antarctic Peninsula where the five ice shelves have retreated, the British researchers report, the climate has warmed by about 4.5 degrees Fahrenheit in the last 50 years. But for Antarctica as a whole, the warming has been only about 1.5 degrees. This is still about twice the warming measured for the Earth as a whole.

The computer models on which climatologists mostly depend for their predictions give different answers when asked how much Antarctica would warm in the future. Some but not all say the warming there will be the most rapid on the globe.

Dr. Robert Balling, a climatologist at Arizona State University who describes himself as a "healthy skeptic" on the question of global warming, puts it this way: "Antarctica seems to be on its own planet. The temperature records down there don't seem to jibe with anything."

FRANCE: *On Eve of U.S. Visit, Chirac Ponders a New Europe*

Continued from Page 1

Europe. For France and its European partners, one of the most delicate challenges will be the planned expansion of NATO and the European Union.

"NATO's enlargement is inevitable," he said, "but it poses a political problem with the Russians. This is based largely on misunderstandings, which is why the Russian people may be more worried than their leaders. We must take our time and be very diplomatic so we do not frighten or humiliate the Russians. And the other Eastern countries realize this."

The other major foreign policy test confronted by the French president and other European leaders is the evolving relationship with their ally to the West — the United States. In this area, he said France had already taken the first steps toward a more equitable partnership.

Thirty years after de Gaulle pulled France out of the North Atlantic Treaty Organization's integrated military command, Mr. Chirac has come full circle. This was necessary, he said, so that France could maximize its influence over NATO's anticipated reforms.

Besides returning Paris to the alliance's defense planning arrangements, the French military has put its forces under NATO military command in the Bosnia peacekeeping force — an experience that Mr. Chirac said has been carried out with few, if any, difficulties.

Mr. Chirac says he also sees France's return to NATO as crucial to help carry out a complete overhaul of his country's armed forces. He plans to abolish conscription and promote the cause of a professional European army that he contends will help save money. "I believe it is possible to carry out reforms that can reduce military costs and still increase efficiency," he said.

He said he recognized that the United States might be wary about surrendering its leadership position in the alliance, but, as the war in Bosnia has shown, its reluctance to be drawn into foreign crises means that it should encourage more assertive ambitions by friendly allies to maintain regional peace.

While advocating a stronger role for France and its partners within the alliance, Mr. Chirac said he would urge Congress not to succumb to the temptations of isolationism. He also said he would urge Washington to keep U.S. troops in Europe because they represent an essential part of the Continent's security.

But he contended that the United States must assert leadership not only through military power — but that it must throw its energies, also, into development aid to boost prosperity in the Third World.

Mr. Chirac evinced no worries about intruding into the domestic budget battles between Mr. Clinton and the Republican Congress, believing that his pro-American reputation gives him credibility.

"We have a moral imperative and a strong political interest in helping poor nations," he said. "We cannot accept an underclass at home or abroad and leave a time bomb of rich-poor tensions for our children. We cannot think we can live safely in our cozy democracies and forget the unfortunate plight of others."

Mr. Chirac said that in his address to Congress he would call attention to the fact that Europe spends more than $30 billion a year on foreign aid — three times what the United States spends. Congress's shirking on foreign aid will have a doubly pernicious effect, he said: it will foment political instability and lead to the loss of potential markets in the Third World.

ECONOMY: *French Stimulus Package Falls Short of the Rhetoric*

Continued from Page 1

France — both of which currently flunk the main budget deficit target needed to qualify for a single currency — have any real room for maneuver when it comes to fiscal policy.

With both countries facing a sharp economic slowdown, economists agree that the only rapid way of kick-starting growth is for the Bundesbank to cut interest rates further, thus allowing the Bank of France to follow suit.

Yet, the fact that both governments announced packages Tuesday, and both pledged again to stick to Maastricht rules, may provide a short-term burst of confidence for financial markets — although probably not for shopping-shy consumers.

As Economics Minister Günter Rexrodt of Germany noted Tuesday, "50 percent of economics is psychology."

In this context, the German package is still a rather thoughtful set of medium-term measures that includes the promise of significant tax and social security reforms and business incentives which — if enacted — would go in the direction of much-needed structural measures to encourage investment. What the German plan looks unlikely to do is to cut the number of unemployed from its present 4 million by the year 2000, as advertised.

The French package, meanwhile, was a hodgepodge of minor incentives, the centerpiece of which was a plan aimed at restoring France's shattered consumer confidence by offering small tax exemptions equal to just 25 percent of the interest paid on consumer loans and by discouraging people from saving their money in a very popular tax-free savings plan called Livret A.

Some economists derided the logic behind French plan: that once the rate on this account was reduced from 4.5 percent to 3.5 percent, French consumers would suddenly pull their money out of the accounts and rush into stores on some kind of nationwide spending spree.

Meanwhile, the government also admitted that it had made what Budget Minister Alain Lamassoure called "a deal" with the commercial banks to reduce their prime rates by 0.5 percent in exchange for alleviating the competition by cutting the rate of the Livret A.

This move, whatever its merits, was judged by analysts to have made a mockery of the putative independence of the Bank of France, which alone is supposed to decide on interest rate policy.

More significant was an announcement by Mr. Arthuis that he would freeze 20 billion francs of public spending in an attempt to avoid a repeat of what happened in 1995 when the government overshot its budget deficit target.

"There is obviously a significant effort to show that the Franco-German push for monetary union is still in place," Mr. Wattrett said.

"They are attempting to show the financial markets that by stimulating economic growth, budget deficits can continue to fall and both economies will remain on track for the Maastricht convergence criteria."

The kezy problem, however, at least in France, is that minor incentives to make people spend is not likely to achieve much.

The real problem is that confidence is still collapsing and the French labor force is worried about further job losses and therefore unlikely to spend.

RUSSIA: *Economy Floats on an Ocean of Debt and Back Taxes*

Continued from Page 1

Without tax revenues, the state has trouble paying soldiers, teachers and coal miners, who in turn have no money to spend. Electricity users cannot pay their bills, so power plants cannot pay for coal, so coal companies cannot pay miners and the circle begins all over again.

Recently, some Moscow police officers were told that the Internal Affairs Ministry could not pay their overdue salaries, and they were encouraged to apply for bank loans instead.

No one has found a way out of the circle, and it is beginning to take on the dimensions of a serious new problem for President Boris N. Yeltsin. In recent weeks, there have been new demands from the politically powerful miners for a nationwide strike to demand back wages.

Mr. Yeltsin, now more sensitive to such demands because of a strong Communist and nationalist showing in December parliamentary elections and a scheduled presidential ballot in June, has once again promised to do something.

"After March 1, I will be personally seeing to it that wages, stipends and pensions are paid on time throughout Russia," he declared. Although he promised to create a huge new "social fund" that would pay salaries, no one knows where the money will come from.

The problems are systemic. According to Russian government data, nearly 45 percent of recorded unpaid debts are owed by businesses and the government to suppliers. About 28 percent is owed to the federal budget in unpaid taxes — up from 15 percent two years ago. The smallest portion, about 3.7 percent, is in unpaid wages.

"The biggest problem is nonpayments to the budget," said Mstislav Afanasyev of the Working Center for Economic Reforms, who estimates that $6.6 billion is owed the government.

A commission headed by Anatoli B. Chubais, the former deputy prime minister, targeted the 64 biggest tax delinquents, including most of the largest state-owned enterprises, but the recent ouster of Mr. Chubais has cast doubt on the effort.

The nonpayment crisis has its roots in the old Soviet way of doing business. Since all enterprises were cushioned to various degrees by government subsidies, there was no need for them to make payments in a timely fashion. There was no tradition of honoring business contracts.

Although Russia is now in the fourth year of its leap to a free-market economy, the old ways of doing business persist.

At the outset of the reform effort, price controls were eased or lifted. When inflation skyrocketed, it became easier for people, companies and the state to pay bills later — when, it was believed, inflation would erode the value of the debts. The spiral of nonpayments took off and continues today, even though inflation has been relatively low in recent months.

Last week, the assembly line at Moskvich, a leading Russian automaker that employs 20,000 workers, halted again. According to the Interfax news service, the factory had no money to buy components, since plant management could not get a loan installment from the Moscow city government. It also owes the central government $133 million.

Russian television reported that in late December, the city of Severodvinsk complained that the Defense Ministry had failed to pay $177 million to local defense contractors. A decision was made in the Kremlin to send an initial installment of $33 million, but "the money has not yet arrived," the broadcast report said. "It has gotten lost somewhere in the Defense Ministry's cobwebs."

Everywhere, the refrain is the same.

FIRE: *Phoenix in Ashes*

Continued from Page 1

Mayor Cacciari urged them not to interrupt their performance as "a sign that life goes on, and as a gesture of hope for the future of the Fenice."

"It is up to us to show not the world, which is watching us, but ourselves that we are truly able, in such a disastrous situation, to do good, overcoming every division," said Mr. Cacciari at a press conference.

The fire Sunday night, and the handicaps faced by fire fighters in bringing it under control, prompted renewed concern for Venice's ever-fragile state, and fresh criticism for the city's failure to protect its own treasures.

Some cited the absence of a night watchman in the building, while others pointed to the city's lack of adequate fire protection, such as fixed fire hydrants.

"Shame, shame, shame," said Giampiero Zucchetta, an expert at the Italian Environmental Ministry who is writing a book on fires in Venice. "A city built almost entirely of wood, ancient and precious like no other in the world, has been abandoned for decades to its own fate."

MARK: *One Goal but Separate Paths*

Continued from Page 1

14 cross-border road, rail and air transport projects by as much as 1.7 billion European currency units ($2.2 billion) over the next four years. The money would come from the EU farm budget, sources said, where subsidy payments have fallen because of dwindling surpluses and higher market prices for agricultural products.

None of the German initiatives promise a direct and immediate effect. The tax reductions, for example, do not go into effect until 1997 at the earliest.

But "50 percent of the economy is psychological," said Economics Minister Günter Rexrodt. He said the measures should help turn around the country's business confidence, which was badly damaged last year by a double-barreled onslaught of surging wages and exchange rates.

Theo Waigel, the German finance minister, repeated the government's resolve to meet the single most important criteria by 1997, which is to shepherd the budget deficit below 3 percent of gross domestic product. Germany's ability to meet the benchmark was thrown into doubt last week when the government disclosed that it would overshoot that limit this year for the second consecutive year. Thomas Mayer, senior economist in Frankfurt for Goldman Sachs & Co. noted that such speculation of a delay only brings punishment from the financial markets.

Growing unemployment has become Bonn's biggest problem and biggest priority, Mr. Rexrodt said.

With a meager 1.5 percent growth projected this year by his ministry, Mr. Rexrodt argued that the economic tide would not rise nearly enough to offset the layoffs, making structural reforms all the more urgent.

"Despite two and a half years of moderate growth, our economy hasn't shown any turnaround for the job market," Mr. Rexrodt said.

"The pressure to consolidate must be maintained," Mr. Waigel said. "The important thing is that these measures mean no additional burden for the budget."

At the heart of the 50-point plan are a series of business-friendly tax cuts aimed particularly at small- and medium-sized companies, most of them have been on the table before but never bundled into a single package.

Tom Buerkle of the Herald Tribune in Brussels contributed to this report.

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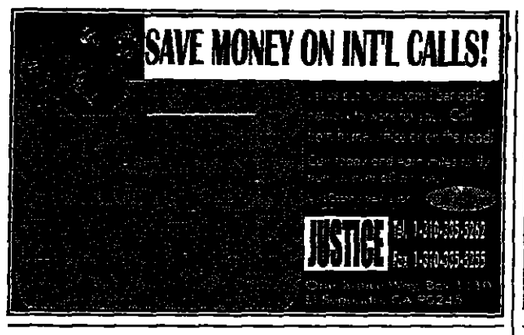

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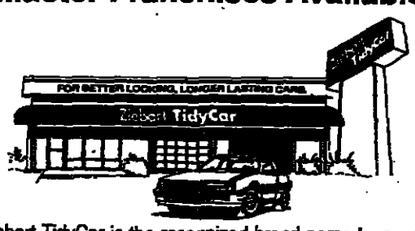

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Russia and START-2

The missile treaty just ratified by the U.S. Senate seems out of another age, and it is. Called START-2, the second strategic arms reduction treaty, it was designed to reduce and make safer the nuclear confrontation of the now gone Cold War. Begun in Soviet times, it was signed by the new Russia's president, Boris Yeltsin, and George Bush in January 1993.

The Senate dragged, but it now has approved by a resounding and worthy vote of 87 to 4 a pact that halves the two countries' stocks of strategic nuclear warheads and bans Moscow's fabled "heavy" missiles, the SS-18s.

Not, however, that there is no longer a point in revising the two countries' nuclear arsenals. With no strategic threat anymore in existence or on the horizon, the new warhead level of 3,500 is far beyond any conceivable requirement of deterrence or defense. But conclusion of this pact will make it possible to lower that level. It will help the two signers finish buying out and dismantling the remaining nuclear arms in formerly Soviet Ukraine, Belarus and Kazakhstan. It will let them press the priority post-Cold War program (Senator Richard Lugar is its leading advocate) of preventing diversion of Russian nuclear arms, materials and facilities to terrorism and smuggling.

There is mumbling in Moscow that Duma ratification will not come easily. Russia's earlier expectation of good nuclear times with America has yielded to criticism of the terms that Mr. Yeltsin accepted in START-2, a nostalgia for nuclear arms as instruments of national power and a keen dismay over the growing American interest in missile defense. Russia faces a difficult choice. It can ratify the treaty to save the upkeep on a larger arsenal and take its chances on missile defense, or it can refuse to ratify and risk seeing its forces disadvantaged anyway.

Russians are myopic to back off from the new treaty reducing offensive arms. But their concern over the rapid progress toward a national missile defense favored by some in Washington is not trivial. For Americans, local or "theater" missile defense, under terms to be agreed with Russia, makes sense, but so far a more ambitious national defense does not. Russia might consider taking a page from the American book and ratifying the new treaty with an asterisk — contingent on American regard for the 1972 treaty restricting missile defense, still the basic text of international nuclear stability.

— THE WASHINGTON POST.

Rohatyn for the Fed

The White House is considering Felix Rohatyn, the investment banker who helped save New York City from financial collapse in the 1970s, as a possible nominee to become vice chairman of the Federal Reserve Board. He would be a worthy choice, a man of stature and experience whose views might help the Fed wring the most growth out of the economy.

Mr. Rohatyn is a managing director of Lazard Frères & Co. He has an unusual blend of expertise that embraces the financial, business and political worlds.

He is respected on Wall Street. In the political realm, he is hailed as the architect of the financial manipulations and tight controls that kept New York City out of bankruptcy in 1975. He is among the few highly successful figures on Wall Street who back progressive causes and activist government. Yet his quest for stronger economic growth and balanced budgets has won him endorsements from the heads of many major corporations.

Few will challenge Mr. Rohatyn's intellect or financial sagacity. But some economists will object that he, unlike the outgoing vice chairman, Alan Blinder, has no background in the Fed's primary mission — setting America's money supply in order to control inflation and dampen temporary downturns. But by that standard almost none of the Fed board members deserved appointment. Most were bankers whose careers gave them no more experience in determining monetary policy than did Mr. Rohatyn's career on Wall Street. The Fed has a highly qualified staff to guide members through the technical ins and outs of policy options.

Mr. Rohatyn has called for policies that would lead to faster growth than either the current Fed or many economists think feasible. His views are unlikely to square with those of the current chairman, Alan Greenspan. But good can come out of such tension.

Indeed, Mr. Blinder challenged the chairman during the past few years, nudging policy in a direction that in hindsight has proved beneficial.

The Federal Reserve Board is supposed to keep the economy growing fast enough to keep the unemployment rate low. But most economists agree that there is some point at which, if unemployment is driven any lower, the Fed would ignite increases in wages and prices. Eventually the Fed would be forced to crack down and, as in the early 1980s, drive the economy into a steep recession.

The problem is that no one knows just how low unemployment can fall before inflation kicks in. Most would say around the current rate of 5.5 percent. Others think that the Fed, by lowering interest rates, could drive unemployment as low as 5 percent.

Everyone on the board agreed that interest rates needed to rise in 1994 and fall last year. But Mr. Blinder wanted less steep increases in 1994 and steeper reductions last year. Hindsight suggests that he may have been right. The economy has slowed, with industrial production nearly stagnant, and this week the Fed is expected to drop interest rates one more time to give the economy another kick. Mr. Blinder's voice, then, will be missed. Judging from his public writings, Mr. Rohatyn would be a valuable replacement.

Mr. Greenspan gets very high marks for his stewardship of the Fed since 1987, steering the American economy through uninterrupted growth and declining inflation. Growth has been slow, but that is the fault of sluggish productivity, over which the Fed has little if any control.

Assuming that Mr. Greenspan is appointed by President Bill Clinton to another four-year term, he will continue to control Fed policy. But that is all the more reason to add a shrewd counterweight to the chairman's instinctual conservatism. Felix Rohatyn could serve that valuable role.

— THE NEW YORK TIMES.

Samper Should Yield

President Ernesto Samper of Colombia has been under growing pressure to resign since his closest political associate charged earlier this month that Mr. Samper knowingly accepted huge campaign contributions from leaders of the Cali cocaine cartel when he ran for president in 1994. He denies the charges and refuses to step aside, offering instead a national referendum on his political future.

He has a right to defend himself before Colombia's Congress, the only institution constitutionally empowered to try him. But with cabinet officers, ambassadors and generals daily abandoning his administration, he has lost the capacity to lead effectively, and his refusal to recognize this threatens Colombia's democratic institutions. He should temporarily yield his powers to his elected running mate, Vice President Humberto de la Calle, pending impeachment proceedings.

Accusations that Mr. Samper solicited drug money for his campaign gained new life this month when his former campaign chief, Fernando Botero, in prison for his own role in the 1994 drug money scandal, said that Mr. Samper was well aware at the time that the Cali cartel was helping to finance his campaign.

The pervasive role of drug-trafficking syndicates in Colombian political life has drained public confidence in the country's institutions. Judges are thought to be intimidated, politicians corrupt and prisons porous.

Putting President Samper's future up to a referendum would only worsen Colombia's chronic problems.

What is needed is not a popularity contest but political accountability through a formal impeachment proceeding. If Mr. Samper is acquitted, he could finish his term. Public respect for the constitution can only be increased by holding the nation's top elected official formally accountable for his conduct.

— THE NEW YORK TIMES.

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Calling Politics an Auction Is Dangerous Cant

By David S. Broder

WASHINGTON — As if the cynicism about politics in America were not deep enough already, the Public Broadcasting System's "Frontline" program was presenting this Tuesday night a documentary called "So You Want to Buy a President?" The documentary's thesis seems to be that campaigns are a charade, policy debates are a deceit, and only money talks.

The narrow point, made by Senator Arlen Specter, Republican of Pennsylvania, an early dropout from the 1996 presidential race, about millionaire publisher Steve Forbes is that "somebody is trying to buy the White House, and apparently it is for sale."

The broader indictment, made by correspondent/narrator Robert Krulwich, is that Washington is gripped by a "barter culture" in which politicians are for sale and public policy is purchased by campaign contributions.

The program rested heavily on a newly published paperback, "The Buying of the President." Its author, Charles Lewis, head of the modestly titled Center for Public Integrity, was a principal witness. Kevin Phillips, the conservative populist author who wrote the book's introduction, was also a major figure in the documentary.

It dramatized a view asserted by Mr. Lewis in the conclusion of his book: "Simply stated, the wealthiest interests bankroll and, in effect, help to preselect the specific major candidates months and months before a single vote is cast anywhere ... We the people have become a mere afterthought of those we put in office, a prop in our own play."

Viewers saw a number of corporate executives — no labor leaders, no religious leaders, no activists of any kind, for some reason — who have raised and contributed money for presidents and presidential candidates and thereafter been given access to dinners, private meetings or overseas trade missions.

It is implied — but never shown — that policies changed because of these connections. As Mr. Krulwich said in the transcript of a media interview distributed, along with an advance tape, with the publicity kit for the broadcast: "We don't really know whether these are bad guys or good guys ... I'm not really sure we've been able to prove, in too many cases, that a dollar spent bought a particular favor. All we've been able to show is that over and over again, people who do give a lot of money to politicians get a chance to talk to those politicians face to face, at parties, on planes, on missions, in private lunches, and you and I don't."

If that is the substance of the charge, the innuendo is much heavier. At one point Mr. Krulwich asked Mr. Lewis, in his most disingenuous manner, "Do you come out convinced that elections are in huge part favors for sale, or in tiny part?" Mr. Lewis replied that while "there are a lot of wealthy people that do want to express broad philosophical issues," the "vested interests that have very narrow agendas that they want pursued see these candidates as their handmaidens or their puppets. The presidential campaign is not a horse race or a beauty contest. It's a giant auction."

That is an oversimplified distortion that can do nothing but further alienate a cynical electorate. Of course, money is an important ingredient in elections and its use deserves scrutiny. But ideas are important, too, and grass-roots activism even more so.

The Democratic Leadership Council's Al From and the Heritage Foundation's Robert Rector have had more influence in the last decade than any fund-raisers or contributors, because candidates have turned to them for policy advice.

John Rother of the American Association of Retired Persons and Ralph Reed of the Christian Coalition work for organizations that are nominally nonpartisan and make no campaign contributions at all, but their membership votes — so they have power.

The American political system is much more complex, and more open to influence by any who choose to engage in it, than the proponents of the "auction" theory of democracy understand, or choose to admit.

By exaggerating the influence of money, they send a clear message to citizens that the game is rigged, so there's no point in playing. That is deceitful, and it is dangerously wrong to feed that cynicism. Especially when they have nothing to suggest when it comes to changing the rules for the money game.

At one point, Mr. Phillips said that the post-Watergate reforms succeeded only in having forced contributors and politicians "to be more devious." That is untrue. Those reforms, which mandated the disclosure of all the financial connections on which the program was based, also created publicity which, even Krulwich and Co. admitted, foiled the "plots" of some contributors.

Mr. Krulwich, for his part, suggested very helpfully that "every high-profile politician agrees that some things have got to change — change the limits, change the rules, change the primaries, change the ads, change enforcement — you gotta change something."

How about changing the kind of journalism that tells people that politicians are bought-and-paid-for puppets and you're a sucker if you think there's a damn thing you can do to make your voice heard?

The Washington Post.

In Today's America Even the Courts Risk Losing Respect

By A. M. Rosenthal

NEW YORK — The strength of major democratic institutions depends on something that can be neither commanded nor enacted — whether the public comes to think of them with respect or contempt. Given enough contempt, some democracies have ceased to exist and others struggle in the corrosive sea of public cynicism.

In the United States, the legislative branch has fallen in public respect and so have the executive branch and nongovernmental institutions like the press and academia.

The courts have generally kept public respect. But I know of no judge or lawyer who believes that the courts are immune to the danger of public contempt. Usually, judges keep the causes of their worries among themselves.

Now Judge Harold Baer Jr. of the federal court in the Southern District of New York has shown us some of the causes. He has shown how some judges use their social and political inclinations, egos, antagonisms and biases to shape decisions. He did it with one contemptuous ruling. If Americans, including higher judges, do not pay attention to the lesson he provides, we are all a bigger ass than he has made of the law.

Two New York City narcotics officers are in their unmarked car; it is 5 A.M. on a Washington Heights, Manhattan, street known for drug trading, including interstate deals. They see a driver in a double-parked car — Michigan plates. Four men walk up, open trunk, dump in a couple of duffle bags, close trunk.

Driver pulls away; police stop her, duffle men scatter. Police find 90 pounds of crack and heroin, worth $4 million, in the duffles. The driver makes a filmed confession. Yes, she is a drug courier — 20 times, up to $20,000 a round trip, usually Detroit-New York.

At the pretrial hearing, Judge Baer throws out evidence. Drug courier leaps with joyous astonishment.

The judge says the officer does not meet unspecified standards of reasonable grounds for search of the car that he says are required by the Fourth Amendment. That is, the standards of this judge in his courtroom, not of a cop out in the streets before dawn looking for drug dealers, and seeing them.

Not good enough, says the judge — not the rented out-of-state car, not the drug-street rendezvous, not the bags thrown into the trunk, nor the combination of all. The drugs found and the courier's confession have no bearing in his mind except in some bizarre way to bolster her credibility about the details of the confrontation against that of the officer, who has an unblemished 10-year record on the force.

The flight of the bag men? "Residents in this neighborhood," says the judge, "tend to regard police officers as corrupt, abusive and violent." So "had the men not run when the cops began to stare at them, it would have been unusual."

Yes, he said that — giving everybody in the neighborhood the license and encouragement to run when they see a cop. He insults, with unconscious contempt, all residents of Washington Heights, by assuming that they all would run from the police, who had risked their lives putting down riots in the same neighborhood, riots heightened by drug thugs.

I called Senator Daniel Patrick Moynihan, who recommended Judge Baer for the bench in 1993. He has a fine idea: The judge should be sentenced to live a year in Washington Heights, to see if he runs away when he sees police.

U.S. Attorney Mary Jo White is deciding whether to appeal. Appellate courts do not like to overturn lower courts on credibility and "facts" about reasonable grounds. But Judge Baer's distaste for cops may overturn him if there is the appeal this city wants — including Mr. Moynihan.

Coincidentally, New York state Supreme Court Judge Harold J. Rothwax has written a book about the power to exclude evidence on Fourth Amendment grounds and other matters he sees as distortions. Read it, whether it convinces or infuriates you: "Guilty: The Collapse of Criminal Justice" (Random House).

I understand the Judge Baers. Their arrogance is their law. But I guess what I do not understand are people like the narcotics officers.

Every day, from somewhere, they summon the willpower to face drug runners and drug guns, all the while knowing that there are judges who license criminals to flee all cops and encourage the rest of the citizenry to despise them.

The New York Times.

Europe's States Need a Strategy of Differentiated Integration

By Josef Janning and Werner Weidenfeld

MUNICH — Enlarging the European Union eastward will fulfill one of its basic ideas: the binding application of the principle of integration to the whole of free Europe. The Madrid summit last month set the stage for this process to begin in 1998. The political system for this Europe, however, still has to be developed.

Without adapting its structures and procedures, the Union will expand to the point of being ungovernable. And without setting the scene for a fundamental reform of its policies, it will not be able to ensure the long-term success of integration either internally or externally.

If in the future some of the members will remain on the periphery of the integration process, some of the others will have to penetrate into the core areas in order to ensure that the process retains its momentum. At the same time, the gap between ability and desire to integrate and the demands made on those participating in highly integrated areas will grow.

Some EU member states will fail in the long term to meet the criteria for unrestricted participation. Thus, as well as reforming its policies and structures, the Union needs greater flexibility and a more room to maneuver for its political leaders.

What is lacking is an approach to the European Union that allows for a high degree of integration but at differing levels. Such a strategy of differentiated integration could build on mutually agreed exceptions to full application of EU legislation that have been successfully applied in previous enlargements.

But such measures — which are basically transitional arrangements — do not guarantee adequate flexibility. If there is to be a permanent differentiation of the degree of integration and the roles and contributions made by individual member states, then the scope offered by such graded integration is no longer enough.

The alternative to present approaches is to deliberately differentiate integration on the basis of the stage reached under the Maastricht treaty.

The objective of differentiated integration would be to advance the development of the Union further, but it would not require a uniform framework or a binding time schedule.

Like the model of concentric circles, differentiated integration is about core-building. But it should not be restricted to one core, which deepens all areas of integration simultaneously. It should allow for several cores with differing membership. It calls for "opting in" by states capable of doing so, but not on an ad hoc basis without rules.

The basic idea underlying this approach is to create structures tailored to the specific requirements of deeper integration and to win over a maximum (or optimum) circle of member states to the idea. These states would achieve something that the member states in their entirety do not seem capable of doing but which nevertheless increases the effectiveness of the overall system.

The primary objective should be to ensure that during the process of expansion eastward the unity of the single European market and the legal community is preserved.

Here the principles of graded integration apply — largely via the tried and tested practice of reaching agreement on exception clauses of limited duration that apply to new members. This prevents the Union from being watered down into a form of free trade zone, and links full EU membership to the ability to participate in the single market.

The other objective is a common currency and a common defense even in an expanding Union. These steps would only be taken by those member states capable and willing, and would if necessary be based on special treaties designed to allow expansion according to clearly defined rules. The right to co-determine these rules would be reserved exclusively for those member states taking part.

For this reason, institutions for coordination and cooperation need to be further developed, so as to promote cooperation of the core group with the other parts of the Union.

With regard to monetary union, differentiated integration assumes that a number of member states will fail in the long term to reach the stability goals, and that others will not be prepared to join even if they do fulfill the criteria.

Two supplementary steps are needed to guarantee the success of monetary union. Those states that are first to join should agree on ground rules ensuring that the entry criteria for monetary union continue to apply. Secondly, they should use the weight and stability of their common currency to support the stability policies of nonparticipating member states within a renewed European Monetary System with adjusted bandwidths.

For common defense the Maastricht treaty is ambivalent. Because the Western European Union membership is already proving to be too varied, a defense union should be set up on the basis of separate treaties within the framework of differentiated integration.

Such a defense union would integrate its members' existing mixed units, encourage the development of European structures and military infrastructures using common resources, create a framework for a European role for British and French nuclear weapons, and constitute a visible manifestation of promises made by the European Union with regard to security.

At all events, care would have to be taken to ensure that while every member of the European Union was in principle able to participate, involvement was more strictly linked to the ability and willingness to operate a common defense system than has been the practice in the past in the European Union and the WEU.

As in the case of monetary union, such a security union should operate in close coordination with a further developed common foreign and security policy. The states in the defense union should form part of the common foreign and security policy as a whole and participate with the combined weight of their membership in decision-making processes.

The common security and foreign policy could thus be open to candidates for membership of the European Union.

Differentiation of the integration process along these lines could contribute significantly toward making an expanded European Union more governable, offering the better-performing member states incentives to integrate their resources.

In practice, the function of providing leadership within the European Union would fall to those member states participating in all of the various areas of integration. With the passage of time, this group would consolidate itself as the control center, as the interrelationships involved in monetary or defense union imply the development of a community with a common destiny.

Mr. Weidenfeld teaches political science at the University of Munich and directs its Center for Applied Policy Studies. Mr. Janning, deputy director of the center, heads its research group on European affairs. This comment was adapted for the Herald Tribune from a strategy paper prepared for the International Bertelsmann Forum.

One of the Great Conundrums

From remarks by Richard Holbrooke, U.S. undersecretary of state for European and Canadian affairs, during an interview conducted by Nathan Gardels:

We all understand that the U.S. role was the decisive factor in the [Bosnia] diplomatic breakthrough. I'm afraid it is going to be the same in implementation. While the Europeans are obviously essential to any solution in their backyard, it is clear that without American leadership it won't happen.

Europeans have to ask themselves why it is that America remains as important as it was in the Cold War era to the solution of problems on the European mainland.

This is not true in Asia. America is a Pacific power with vast economic and strategic interests there, but we are no longer essential to political balance in Asia as we were during the Korean and Vietnam wars. In Europe, we still are. This is one of the great conundrums of the post-Cold War world.

Only five years after the European Union turned to President [George] Bush and said, "The Cold War is over, Yugoslavia is our challenge, we can take care of it," the Americans were pulled back in to make the difference. This is a stunning event with huge, long-term historical implications for Europe and for America, whose public is really not anxious at all to be engaged in Europe's troubles.

This poses a very serious political challenge to the post-Cold War order. The average American is asking, "Why do we have to get involved with this stuff again?"

New Perspectives Quarterly.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: King Attacked

LISBON — As the King was returning to the palace yesterday evening [Jan. 29] from a drive in an open carriage, accompanied by an aide-de-camp, a stone was thrown at the vehicle by an Anarchist workman. The missile struck the aide-de-camp, who leaped from the carriage and ran after the assailant. The latter was promptly arrested by the police, and as he was being taken into custody shouted: "Long live the Social Revolution!" The King has been made the object of demonstrations of sympathy on his escape.

1921: German Protest

PARIS — The German and Austrian newspapers set up a general wail at the Allied decisions and strongly protest that the total amount of 226,000 million marks, plus an export tax of 12 per cent, can never be paid and is not even worth consideration. "Kreuz-Zeitung": The sums demanded far exceed the national fortune of Germany. The German Government, having the entire German nation behind it, can never accept these demands and sign an agreement which, being impracticable, can only give the Entente pretexts for further measures of repression.

1946: Loan to UK

WASHINGTON — President Truman called on Congress today [Jan. 30] for speedy approval of the $3,750,000,000 loan agreement with Britain. "Britain needs this credit and she needs it now," the President said in a joint message to the Senate and House. "It will enable her to buy from the world supplies of food and raw materials which are essential to the life and work of the British people," he said.

OPINION/LETTERS

The Ill-Grasped Logic Behind France's 'Return' to NATO

By William Pfaff

PARIS — France's "return" to NATO has been interpreted in some American and British circles as an admission that Charles de Gaulle was wrong 30 years ago to have withdrawn from the alliance's integrated structure.

The French have rejoined NATO's military command and have announced willingness to talk about strategic nuclear issues. President Jacques Chirac will undoubtedly elaborate on the new policy when he speaks to a joint session of Congress in Washington on Thursday.

However, it is not a new policy. It is France's old policy in a new guise. New times invite new tactics. France has come back to NATO because NATO has been reactivated as agent of Western policy in Bosnia. Since 1990 the alliance had lacked a post-Cold War mission. Now it provides the only game in town.

Europe has at the same time demonstrated an inability to put together a common policy on Yugoslavia, or on any other difficult foreign or security policy issue. The project to make Europe's own military alliance, the Western European Union (which predates NATO), into the military arm of the European Union has gone nowhere.

NATO has the resources and is where the action now is. Therefore, the French are laying claim to an equal role in NATO for Europe, in order to "strengthen an independent European defense." The words are those of the French defense minister, Charles Millon, earlier this month.

The French want to organize and hector the European members of NATO into building up the long-discussed and persistently elusive "European pillar" of NATO. Those in Washington and London who have welcomed the French back are likely to find that their lives were easier when the French were still outside the alliance.

There is a fundamental clash here that most American policymakers have never understood. The problem goes back at least to the time of Franklin Roosevelt, who never grasped that Charles de Gaulle was other than a military adventurer, or was able to see the French as other than a political society given to sterile quarrels and empty gestures.

The source of French-American difficulties is the fact that both nations think they created the modern world. The French say they did it with their Declaration of the Rights of Man in 1789 and the French Revolution. We Americans think we did it with our revolution, our constitution and our Bill of Rights.

The British used to share in this rather metaphysical, or metahistorical, dispute, but for various reasons dealt themselves out sometime before World War I and have since been content to second the United States, taking American democracy as the legitimate offspring of British thought and British political history, as indeed it is.

The French are pessimists. It is virtually mandatory to be a pessimist in France in order to be taken seriously. This means the French cannot believe that the United States will indefinitely defend Europe. They say the Americans will leave and therefore Europe (or France alone, if it comes to that) must be able to look after itself.

French and Americans are different in another way. The French are inclined to expect the worst of others, and to look for the selfish interest concealed in the ostensibly altruistic policy. They are perfectly lucid about the degree to which their own policies are driven by national interest.

Americans, who are optimists, take for granted that the policy that benefits General Motors — or Boeing, or Microsoft or the American farmer — is not only good for America but good for the world, whose higher good is served by American leadership.

American trade practices, arms exports, intellectual property claims, patenting of the human genome, export of hormone-fed beef — all the things that infuriate many outside the United States, and certainly the French — are usually taken by American opinion to be benevolent policies of manifestly universal interest.

The American rivalry with France also now interacts with an internal European dynamic that sets centralizing ("federalist") European forces against those favoring Atlanticism, who are wary of a French-German-dominated Europe.

The Northern Europeans in particular — Britain, the Dutch, the Scandinavians — have always resisted the centralizing Continental great powers. They are inclined to see the United States as their ally against a Europe dominated by France and Germany.

The French have changed their relationship to NATO because they think that the trans-Atlantic rivalry now has moved to an important new stage. They argue that the United States feels threatened by what Europe already has achieved.

They say that a structured European single market, which subsidizes European industry, agriculture and high technology, with a single currency that rivals the dollar, an independent defense industry and its own foreign policy claims in such places as the Middle East and Africa (where European aid already is much greater than that of the United States), is seen in Washington as a threat that must be crushed.

They see in the policies of the U.S. government, and in what they see expressed in the American press and in American business practices, an attempt to halt European unification.

Alexandre Adler, a former academic (in an American university) and editor of an influential French review of the world press (Courrier International), says that American proposals for a trans-Atlantic free trade zone and creation of a NATO-based security directorate for the West are deliberate efforts to halt Europe's integration and block Europe's autonomy.

This new thinking in France implies that the European-American relationship is in crucial respects becoming a struggle for power and autonomy. That is why France thinks it can actually reinforce Europe by rejoining NATO. It is a significant development, which I do not think Washington fully understands.

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A New Legal Chapter, in Verse

By Barry James

PARIS — A British poetry publisher, Forward Press, has sued the Poetry Society in London for libel and demanded unspecified damages after it said the society had described it as a vanity press.

This is a form of publishing in which aspiring writers pay to have their works printed. The Forward Press also said the society had linked it with spurious competitions in which all who enter are declared winners and encouraged to buy expensive anthologies containing their verse.

MEANWHILE

Forward Press said the society had put the accusations on its World Wide Web site and ignored its letters of protest.

I continue the story:

The Forward Press, and Ian Walton who owns it,
Have sent the Poetry Society a writ
Saying: See you in court. We've been denigrated
By libel. The society — thus was stated —
Said we'll print your ballad, canto or roundelay.
Stanza, verse, georgic, rhyme or jingle, if you pay.
It called us "vanity press." Are we one of those
Imprints that charge to publish epic verse and prose,
And bind them in a pricey, bad anthology
Of limp meter, doggerel and poetastry
Like this? To make it worse, the treacherous slander
Was on the Internet, for the world to ponder.
The Society said the "Poetry Police"
Should ban dodgy poets' contests designed to fleece
Authors, to whom a rosy future is hinted
If they buy the book in which their verse is printed.
That's not true of me, Walton cried. I'm a poet, too,
And have been judge for the Literary Review.
My firm gives work to fifty. Should I be besmirched
By a pasquinade so false and badly researched?
I seek damages for libel, aggravated,
And injunction for this smear to be abated.
The poetry group replied, "Ought we to amend
Our views? The answer's no. Our lawyers will defend."

International Herald Tribune.

LETTERS TO THE EDITOR

Who's a Liar?

What has gotten into newspapers that they go around calling political figures "liars"? First Hillary Clinton is called a liar — a congenital one at that — and then François Mitterrand is "made out to be a liar" over the issue of his health.

Pray tell, since when have political people been anything but liars? Every presidential candidate is a proven liar if he makes it to office, but those major and important liars go by the boards. Those are expected lies, but they cost the United States a lot more than Hillary Clinton lies or France Mitterrand lies.

We accept lies as a way of life, whether from politicians, lawyers, doctors or just regular people. It seems shameful for the press to single out individuals for doing the same things we all do just because it makes a good headline. The good works of Hillary Clinton and François Mitterrand become lost in the fury.

EDWARD RAPP.
Courtemaux, France.

Capitalism's Virtues

The plea by William Pfaff for "social capitalism" (*"U.S.-British Capitalism or Europe's Model of 'Social' Capitalism?" Opinion, Dec. 15*) calls for an alternative point of view. To begin with, it rests on the hidden assumption that a decentralized market system produces no social benefits, despite a long and respected literature in economics that illuminates what those benefits are and why they are not likely to issue from a central authority.

To be sure, economists are noted for their disagreements, but, curiously, the one principle that virtually all economists agree on is that protectionism, in whatever form, harms society at large (even while it benefits small groups within society). Mr. Pfaff's assertions to the contrary, there is no compelling evidence anywhere that protectionism improves global welfare. Some countries (e.g., Japan in the postwar period; the United States in the late 19th century) have temporarily established certain sectors of their economies by protectionist policies, but such policies can be defended only in the short run. Faced with its past success, Japan will no more be able to sustain its protectionist policies than OPEC was able to sustain its iron grip on oil supplies. Market forces (already silently at work) eventually correct such inequities, but they cannot work effectively if they are subrogated to political powers aimed at protecting small power blocs.

We live in an imperfect world. There will never be complete and open trade, but all movements toward that objective are nevertheless advisable. The real bugbear of the debate is that attempts to measure all the benefits of free trade are never wholly successful because we cannot foresee in the present the benefits of a future technology that does not yet exist.

The basic question, therefore, is what type of regime is most likely to foster technological improvements — a protectionist regime or an open one? I would emphatically place my bet on the open economy. Japan, often held up as a model to the rest of the world, is not a technological leader. Its success has been based on emulating other technologies, most especially those of the United States.

The current backsliding in average wages of American workers that Mr. Pfaff decries cannot, in my opinion, be laid at the door of free trade. Historically, labor's share of total income rises along with increases in the nation's capital stock. But existing ill-designed U.S. tax policies discourage personal and corporate saving and reduce the supply of capital to American businesses.

Moreover, fiscal policies of the U.S. government divert "savings capital" to nonproductive uses (i.e., income redistribution rather that income formation), further discouraging capital formation. Simultaneously, there has been a dramatic increase in the supply of American laborers over the past two decades as more and more women have entered the work force.

ROBERT F. HEBERT.
Auburn University, Alabama.

An Old Slogan

Regarding "Can't Do on the Potomac, Can Do on the Sava" (Opinion, Jan. 8):

Jim Hoagland misconstrues what the McGovernite "Come Home America" slogan meant. Far from being a literal demand to withdraw from the world, it was a call for America to turn away from particular policies in Vietnam, Chile and Greece, which were regarded as evil, and to return to what had always been best in America's traditions.

Many of us who opposed those policies were internationalist in outlook then and remain so today, supporting the current U.S. efforts in Bosnia.

ADAM S. WILKINS.
Cambridge, England.

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Goethe

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STAGE/ENTERTAINMENT

Angry Young Women: Music Business Bets on the Next Big Thing

By Jon Pareles
New York Times Service

NEW YORK — Halfway through the decade, popular music has paused to wonder where the next big thing is. During the early 1990s, rock binged on new subgenres; one after another would crest and then settle in to a comfortable niche: grunge, the punk revival, gangsta rap, cowboy-hat country, techno.

But the most commercial sounds of 1995 rejected innovation, returning to the dependable comforts of folk-rock and cooing rhythm-and-blues, as if all the bandwagons had already left the station.

All but one. Somewhere between calculation and desperation, the music business has decided to get behind the Angry Young Woman.

Alanis Morissette's five-million-album sales and six Grammy nominations ratify what college radio stations and music critics have been proclaiming for years: that a new female archetype — uninhibited and smart, bruised and resilient, unorthodox and proud of it — has finally established itself.

A long line of defiant, cranky, stereotype-defying individualists has built something that the music business now feels ready to sell: a new and definitely improved version of that pop staple, the sweet young object of desire.

This time, she's as confessional as 1970s singer-songwriters, as assertive as punk-rockers and as determined to draw lessons from damage as a guest on Oprah.

The lessons are sensible but not sweet. Poe (born Annie Danielewski), who's about to go on tour with Lenny Kravitz, advises, "You can't talk to a psycho like a normal human being."

Her music genre-hops from moody hip-hop to hymnlike piano to fingerpicking pop-folk.

Tracy Bonham, a folk-rocker who pushes toward punk, shouts, "I'm not a waif! I'm not a waif!" on her "Liverpool Sessions EP," released last year.

The Angry Young Woman is articulate and sexually explicit, both a lover and a fighter. She's trying not to let a few bad men, or a lot of them, do permanent harm to her self-esteem. Her anger isn't generalized or (usually) channeled into conventional politics; it's personal, self-involved.

She's disgusted with men's inadequacy and lies, but she rejects self-pity and refuses to define herself purely in terms of her connection to men. If she'll depend on anybody else, it's likely to be her band members. She's not just one of the boys, either; inverted machismo would be as much a trap as simpering femininity.

While she holds on to the folky styles that have commonly been allotted to female songwriters, she's no longer confined by them. She can, and will, get loud to make her point.

HER songs may well circumvent typical pop structures, using waltz time instead of rock's basic 4/4 or incorporating cinematic dissolves instead of verse-chorus-verse.

She's also likely to have a wild streak, whether it runs to religiosity (P.J. Harvey, Tori Amos), public excess (Courtney Love) or wacky poetic imagery (Liz Phair, Lisa Loeb).

And after decades of music-business attitudes ranging from paternalism to exploitation to complete misunderstanding, her time has come. The riot grrrl movement may not have yielded a pop standard-bearer, but it has helped shift corporate ideas of what female performers can say and what listeners, male and female, want to hear.

Belatedly but vigorously, recording companies have decided that a troubled love life plus an electric guitar equals potential profits.

Last year brought feisty albums by, among others, Helium, Garbage, Gillette, Elastica, Evil Stig and Ani DiFranco (who wields an acoustic guitar with the ferocity of a rocker).

And the next few months promise more, including strong debut albums from Patti Rothberg and Bonham, the major-label solo debut of Penelope Houston (formerly of the Avengers) and the second album by the Spinanes.

Patti Smith, the godmother of post-punk autonomy, is also due for an album this spring.

On a larger scale, the timing could be promising.

Where the Angry White Man dominated the 1994 elections, while groaning grunge rockers and complacent honky-tonk singers held the pop charts, a female reply seems inevitable: Enough whining — you guys still hold most of the power.

Democrats are already hoping to reopen a gender gap at the polls, and as always, the entertainment business is willing to capitalize on any available public mood.

The hit film "Waiting to Exhale," about four black women's romantic struggles, offers gentler music than the decidedly white, middle-class, quasi-bohemian Angry Young Women do, but the movie itself taps into the same kinds of female resentment at male misdeeds that made a chart buster out of Morissette's "You Oughta Know."

SHANIA Twain, who's relatively pushy for a country singer, ruled her genre in 1995; it's surprising that some no-holds-barred female rapper hasn't emerged to take advantage of the same mentality.

Sales breed respect in the music business, and as Madonna knows, popularity can be leveraged into power: Madonna runs Maverick, Morissette's label.

The Angry Young Women are likely to face less incomprehension, and perhaps fewer overt leers, than did their predecessors, from the Shirelles to the Pretenders.

But there's also a danger when the music business seizes on a next big thing: followers and imitators arrive along with innovators, as the music-business pros turn audacious inspirations into a systematic shtick.

There's already a whiff of contrivance about Morissette, a former teenage television actor and dance-pop singer whose producer and songwriting collaborator has worked with Michael Jackson.

Once the music business thinks that it knows what it's doing, it will construct a new stereotype. Women who feel most comfortable with a lone acoustic guitar or piano will be urged to rock out or else; women who want a truce in the battle of the sexes will be ignored.

But in the meantime, women and their friends can hear some fierce voices and unguarded truths.

LONDON THEATER

August Wilson's Saga of Drifters

By Sheridan Morley
International Herald Tribune

LONDON — At the Tricycle, "Two Trains Running" is the latest in August Wilson's massively ambitious saga of black America in this century; each of the plays stands for a different decade, and by now we're in the Pittsburgh of the 1960s. Memphis Lee's diner is going inexorably downhill, but like bars everywhere from "Cheers" back to Saroyan's "The Time of Your Life," it serves as a meeting place for those on the run from their society.

All the qualities of a fine play are here in force: structure, pathos, comedy, characterization, and maybe it would be greedy to ask for a plot as well. Instead we get a cross section of American dreamers and drifters coming together in the aftermath of Martin Luther King Jr. and Malcolm X to reconsider their position in a changing society. There's the wonderfully mad Hambone, so named because of his search for the prize he was promised in return for painting a fence nine years ago; there's the diner's owner, struggling to get a "white" price for his property; there's the constant debate about responsibility, with the younger men in search of something for nothing while their elders, still carrying the slave legacy, are inclined to the ancient verities of hard work.

It's the younger men who make the promises, their elders who try to realize them; the trains of the title are life and death, and the play's only success story is that of the local undertaker, wonderfully played by Stefan Kalipha. If there's a message here it is to do with the continuity of the human spirit up against the very limits of endurance, and in Paulette Randall's immensely strong production a cast of seven plays out the random conversations that build Wilson's history of the black experience at moments of social and personal crisis.

Naomi Wallace's "Slaughter City" (Barbican Pit) is a blood-spattered nightmare set in an American meat-processing plant; part fantasy and part realistic, it teems with ideas about unions and politics, wealth and poverty, workers' dignity and management corruption. Wallace is concerned with the cost of the American industrial dream and the nightmare it became for those caught on the wrong side of its tracks, and Ron Daniels's production brilliantly treads the borderline between myth and the reality of the meat market as it traded in humanity as well as animal flesh.

Wallace is primarily a poet, and we therefore should expect "Slaughter City" to be poetic rather than dramatic; yet oddly enough the scenes that work best are flashbacks to the past, the fire at the Triangle factory in 1911. A virtually unknown cast delivers remarkable performances, especially Olwen Fouéré as the androgynous time-traveling central figure and Linal Haft as the one-dimensional factory manager villain. Whatever this play is about, I wouldn't have missed it, though its odd construction and array of meat carcasses may not be to all tastes; the influences are from Beckett through Ionesco to Genet to Orton, and Wallace has an ear for nonrealistic dialogue; not exactly a fun evening, but compelling for all that.

Jack Shepherd's "Comic Cuts" (Lyric Hammersmith Studio) is a backstage farce in a tradition that back across half a century. This time it's 1951 and we're backstage at the Empire Theatre Leeds in the dying days of the music hall; the top-of-the-bill comic is about to be replaced, not only on stage but also in the number one dressing room he already has a habit of trashing. His replacement is a female crooner, and what Shepherd is concerned with here is nothing less than the changing of the backstage guard at the end of an era.

The play lovingly re-creates the world of the contortionists, the jugglers, the tap dancers and the ventriloquists who made up the vaudeville bills on the northern circuit and who exist only now in the memories of an older generation fast dying out. Shepherd loves these people: the ambitious singer, the amorous comic in love with half a tap-dancing duo and kept in line by a tartar of a wife, the lecherous black singer with the neurotic wife, and the theater manager desperately trying to hold the show together.

Jonathan Church has focused his production on its central figure, Gavin Richards, in a memorably manic turn as the alcoholic comic fighting for possession of his backstage and onstage space. From here it was either topping the bill at the Palladium or downhill to the gutter. The second act could do with tightening, but Shepherd has recreated a lost world of greasepaint and tawdry glitter now gone forever, while raising some good questions about the relationship between the audience and the acts.

Black & White Communications

Gavin Richards as Reg Henson in Jack Shepherd's play, "Comic Cuts."

Storm at Czech Philharmonic

By Alan Levy
Special to the Herald Tribune

PRAGUE — Gerd Albrecht, the German conductor of the Czech Philharmonic Orchestra, resigned Tuesday, bringing to an end an embattled tenure where politics were more dominant than music.

When the Philharmonic Orchestra rejected the candidacy of its homegrown regular conductor, Jiri Belohlavek, more than four years ago, it chose a foreign conductor to give it international visibility.

With Albrecht, who leaves after three years on the podium, the orchestra won international notoriety thanks to politics and polemics concerning Israel and the Vatican, Czech nationalism and the Holocaust, and involving President Vaclav Havel and Minister of Culture Pavel Tigrid.

Albrecht announced that he would lay down his baton immediately. At a press conference to announce his resignation, during which he took no questions, Albrecht said, "I wanted to be a goodwill bridge" and "I thought music could bridge differences." The 60-year-old maestro will continue as general music director of Hamburg's State Opera and Philharmonic.

The century-old national orchestra rarely sounded better in concert halls. But the discord was in the press, backstage and in the corridors of power.

Though he excelled at delivering Dvorak and introducing the Czech and German publics to the composers Viktor Ullmann, Hans Krasa, Pavel Haas and Gideon Klein — Jews who perished in a 1944 transport from the Terezin ghetto the Germans called Theresienstadt to extermination in Auschwitz (as well as the Prague-born Erwin Schulhoff, who died two years earlier in another concentration camp) — Albrecht's troubles began in early 1994 over a musical issue that escalated into the political and religious spheres.

When the Czech Philharmonic was invited to play at a special Vatican concert celebrating mutual recognition of the Roman Catholic church and the state of Israel, Albrecht declined the globally broadcast honor because he said the orchestra would be too busy recording Bruckner for a Japanese company and preparing for a tour of Japan.

Some members of the orchestra contended that Albrecht was miffed at not being invited to conduct the concert instead of a lesser known American, Gilbert Levine; other observers said it was bad form for a German to veto participation in an event that also commemorated victims of the Holocaust.

After Havel complained that Albrecht's decision damaged the interests of both the Czech Republic and the Czech Philharmonic, the conductor cried "witch hunt" and said Havel's "statement does not match my concept of democracy."

With 16 recordings in Albrecht's first two years and the Japanese tour netting the Philharmonic almost half a million dollars, the musicians' salaries rose about 40 percent. But Albrecht soon was embroiled in an argument with the Ministry of Culture about what should happen to 140,000 Deutsche marks (about $100,000) earned in royalties on foreign tours.

In 1995, interviews with Albrecht appeared in German periodicals in which he began portraying himself as a victim of Czech nationalism and anti-German prejudice who was being made to atone for 300 years of Habsburg rule, the Holocaust and Nazi occupation as well as the role of East German troops in the 1968 Soviet-led invasion of Communist Czechoslovakia.

Last September, Tigrid, hitherto Albrecht's staunchest defender, says he made a "gentlemen's agreement" obliging the conductor to stop speaking to the German press.

In November, the magazine Stern quoted Albrecht as saying his phone was bugged and he was being followed: "I feel as though I'm in Kafka's castle." In January, he told Der Spiegel "a hostile campaign" was being waged against him.

Albrecht did not deny the utterances, but insisted that he had not "authorized" their publication. On Jan. 9, Tigrid announced he was curtailing Albrecht's authority over nonartistic matters. And when Albrecht said he would quit if he lost any powers, the die was cast.

After Albrecht complained about Havel's failure to attend the Jan. 4 all-Dvorak 100th-anniversary concert — the first half conducted by Belohlavek, the second half by Albrecht — Havel himself went to the German press. He told Berlin's daily Tagesspiegel, "I don't know any Czech who would be bothered by Albrecht's being a German."

ALTHOUGH Havel could have pleaded his wife Olga's health (she died last Saturday), his official reason for not attending the centennial concert was that he was on vacation, but confidants said that if he had spoken a minute longer to one of the conductors than to the other, it would have become a political statement.

But perhaps the most telling statement at that concert was an act of silence.

After Belohlavek conducted a Slavonic rhapsody and Dagmar Peckova in some biblical songs, the orchestra joined the public in applauding conductor and singer; the string section expressed its approval by rapping its bows. After Albrecht conducted the "Othello" overture and "New World" symphony, the musicians simply put away their fiddlesticks.

Alan Levy is editor in chief of The Prague Post.

BOOKS

WHEN I'M BAD, I'M BETTER: Mae West, Sex, and American Entertainment.

By Marybeth Hamilton. 307 pages. $25. HarperCollins.

Reviewed by
Gerald Weales

MARYBETH Hamilton's "When I'm Bad, I'm Better" promises "to unmask Mae West by tracing the history of her public persona" through changing attitudes toward sex and class. That may be one of the few ways of doing a Mae West book these days. The actress's private life is so obscured by a fog of her own making that a celebrity scandal biography, except as a congeries of rumor and invention, is out of the question, and even an admirer of her performance in "She Done Him Wrong" is unlikely to feel the need for an in-depth study of the West oeuvre.

As Hamilton sees it, West and her aesthetic were formed by the working-class Brooklyn neighborhood in which she grew up — if so elegant a word as aesthetic can stand in for West's conviction that she always knew what her audiences wanted, and her frequently voiced intention of giving it to them.

"Tough girls were wild and made no secret of it," Hamilton says of the young women who alarmed social workers early in the century and who "simply did not see themselves as victims." The toughness and the self-assurance that precluded victimization were to form the stage character that, however bowdlerized it became in later years, West carried from the cheap theaters where she began her career to Broadway and Hollywood. Her dances, her suggestive songs, her ribald wisecracks were too blatant for the refined wing of vaudeville, although she did briefly temper her vulgarity enough to get onto the stage of the Palace, New York's premier vaudeville showplace.

After years of minimal success in vaudeville, in tacky road companies, in burlesque, she she retreated — or advanced — to the last refuge of the open mind and the open kimono — Broadway. In 1926, on the assumption that what the legit needed was a taste of life in the raw, she wrote and starred in "Sex," a comedy melodrama about a Montreal prostitute that was short on art and long on comically lurid brothel scenes. Dismissed by the critics but helped by the publicity of a police raid, "Sex" became a success and Mae West a tabloid celebrity. She threatened to follow "Sex" with "The Drag," which would presumably do for the seamier side of gay subculture what "Sex" had done for the straight underworld, but pressured by the city and the Broadway establishment, both of which feared the prospect of censorship, she never opened the show.

With "Diamond Lil" in 1928, she found the role that let her turn the sex outlaw into a finished comic creation. Her usual preoccupation with crime, prostitution, dope — the whole bag of realistic melodrama — was washed into retrospective innocence by the nostalgia that had long since cleansed the image of the once notorious Bowery, and her "tough girl" was transformed into the figure of presumably irresistible sex that no one except the reformers, and perhaps West, took seriously.

In Hollywood in 1933, she recreated Lil as Lou in "She Done Him Wrong" and in "I'm No Angel," the two films that set off a craze for Westisms. But her third film, "Belle of the Nineties," was trashed, prefiguring the string of inept echoes of Lil that ended with "The Heat's On" in 1943.

Hamilton traces West's professional life, stopping often to produce mini-essays on urban life at the turn of the century, on changing sexual mores, on sleazy and genteel vaudeville, on the economic and artistic politics of Broadway and Hollywood, on whatever social phenomenon she sees as contributing to or obstructing West's career.

Much of the material is familiar and Hamilton repeats herself too often, but on the whole the book is an effective combination of social and theatrical history.

Gerald Weales, author of "Canned Good as Caviar," a book on American film comedy in the 1930s, wrote this for The Washington Post.

BEST SELLERS

The New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Week	Wks. on List
1	INTENSITY, by Dean Koontz	9	2
2	FIVE DAYS IN PARIS, by Danielle Steele	2	9
3	THE HORSE WHISPERER, by Nicholas Evans	1	19
4	SHOCK WAVE, by Clive Cussler	3	6
5	THE WEB, by Jonathan Kellerman	5	2
6	BEHIND THE LINES, by W. E. B. Griffin	12	2
7	THE JUDGE, by Steve Martini	11	2
8	THE CELESTINE PROPHECY, by James Redfield	8	100
9	THE LOST WORLD, by Michael Chrichton	4	17
10	HIDE & SEEK, by James Patterson	6	3
11	THE CHILDREN'S BOOK OF VIRTUES, edited by William J. Bennett	15	12
12	THE HUNDRED SECRET SENSES, by Amy Tan	13	13
13	THE CHRISTMAS BOX, by Richard Paul Evans	7	13
14	CONTAGION, by Robin Cook		1
15	THE FINAL JUDGMENT, by Richard North Patterson	10	6

NONFICTION

1	THE ROAD AHEAD, by Bill Gates with Nathan Myhrvold and Peter Rinearson	1	8
2	EMOTIONAL INTELLIGENCE, by Daniel Goleman	2	17
3	CHARLES KURALT'S AMERICA, by Charles Kuralt	3	13
4	SISTERS, Essays by Carol Saline. Photographs by Sharon J. Wohlmuth	10	57
5	A SIMPLE PATH, by Mother Teresa, Compiled by Lucinda Vardey	4	9
6	MISS AMERICA, by Howard Stern	7	10
7	DAVID BRINKLEY, by David Brinkley	6	11
8	IT TAKES A VILLAGE, by Hillary Rodham Clinton		1
9	LONGITUDE, by Dava Sobel	11	4
10	MY POINT...AND DO I HAVE ONE, by Ellen DeGeneres	9	21
11	LINCOLN, by David Herbert Donald	8	13
12	ALL I KNOW ABOUT ANIMAL BEHAVIOR I LEARNED IN LOEHMANN'S DRESSING ROOM, by Erma Bombeck	12	10
13	MY AMERICAN JOURNEY, by Colin L. Powell	5	18
14	AMAZING GRACE, by Jonathan Kozol	13	5
15	THE RIGHT TO PRIVACY, by Ellen Alderman and Caroline Kennedy		1

ADVICE, HOW-TO AND MISCELLANEOUS

1	MEN ARE FROM MARS, WOMEN ARE FROM VENUS, by John Gray	1	146
2	THE SEVEN SPIRITUAL LAWS OF SUCCESS, by Deepak Chopra	2	45
3	THE WAY OF THE WIZARD, by Deepak Chopra	3	2
4	THIS SUCKS, CHANGE IT!, by Larry Doyle	4	4

In this Thursday's
HEALTH/SCIENCE

Smart Crows

How they make tools

Herald Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
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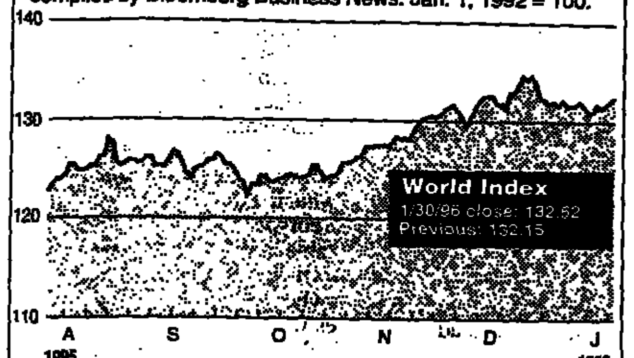
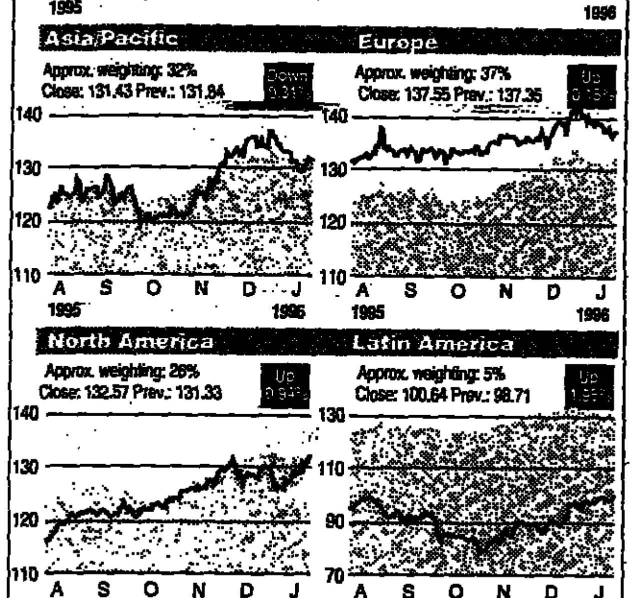
THE TRIB INDEX: 132.62

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.





The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Tue. close	Prev. close	% change		Tue. close	Prev. close	% change
Energy	134.35	134.80	−0.33	Capital Goods	137.44	136.38	+0.78
Utilities	128.34	127.74	+0.47	Raw Materials	145.47	144.88	+0.41
Finance	123.97	124.18	−0.17	Consumer Goods	139.72	138.69	+0.74
Services	123.18	122.42	+0.62	Miscellaneous	141.28	140.26	+0.73

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

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Cracks in Fidelity's Empire

Study Links Fund Giant's Problems to Its Size

By Brett D. Fromson
Washington Post Service

NEW YORK — No modern investment firm has ever dominated Wall Street the way the mutual-fund giant Fidelity Investments now does.

With about $548 billion of the public's money and 9.7 million clients, analysts say it is the largest investment management company in the world.

From its offices in downtown Boston, Fidelity controls nearly one-fourth of all the stock held by U.S. mutual funds, according to industry analysts, and that percentage is growing. On some days, it accounts for 15 percent of the volume on the New York Stock Exchange.

Fidelity, which has 227 stock and bond funds, is so big it has its own internal stock market where the investment managers trade among themselves.

But a six-month investigation by The Washington Post shows that Fidelity's size is the source of some of its greatest problems. According to confidential company documents, mutual fund analysts, current and former executives, Fidelity is such a big player in the market that:

•Its trading can distort the stock market. When Fidelity is buying or selling, it can drive prices of even the biggest stocks up or down sharply — hurting other investors and, sometimes, its own customers. "Don't get in the way of Fido," said Michael Harkins, a partner at the New York investment firm Levy, Harkins & Co., using Wall Street's nickname for the mutual fund giant.

•Its funds, swollen by cash, are losing their performance edge as portfolio managers struggle to put the money to work profitably. Studies done for The Washington Post by two mutual fund research and rating services, Morningstar Inc. and Lipper Analytical Services Inc., show that in the past two years fewer of Fidelity's major U.S. stock funds are beating their own benchmarks or the funds of their biggest competitors.

•Its management practices, intended to steer the huge flotilla of funds, may hurt the interests of Fidelity investors. For example, Fidelity funds often share some of the same stocks, so investors may not get the diversification they expect, and Fidelity's internal rules sometimes block funds from investing in profitable companies.

The Securities and Exchange Commission has begun an examination of Fidelity to learn more about how its funds exercise their influence. The SEC examination was launched shortly after The Washington Post published confidential Fidelity trading data on Dec. 1 showing that Jeffrey N. Vinik, the 36-year-old manager of the $53 billion Magellan fund, had been talking up the semiconductor maker Micron Technology Inc. when he was quietly selling most of his stake in the company.

The SEC also is looking at unusual end-of-month run-ups in the value of Magellan and some of the stocks in which Mr. Vinik's fund has invested. Other investors have filed lawsuits in federal court in Boston accusing Mr. Vinik and Fidelity of stock manipulation.

The firm's chief counsel, Robert Pozen, denied any wrongdoing and said he saw no contradiction between Mr. Vinik's favorable statements about Micron and the selling.

A Break-Up Artist Dissolves: Hanson To Become 4 Firms

By Erik Ipsen
International Herald Tribune

LONDON — The ebb tide in the fortunes of large conglomerates claimed one of its most prominent victims yet Tuesday as the wildly diversified British-American company Hanson PLC said it would break itself into four pieces.

"It is deeply ironic that the great corporate break-up artist, the great buyer and seller of companies in the 1980s, should in the end be reduced to breaking up his own company," said Karel Williams, a researcher at the University of Manchester who has studied Hanson for years.

Lord Hanson himself called the massive shift "radical and exciting." He predicted that it would "improve the operations, profitability and long-term prospects of the companies in their own right."

Hanson is to take its principal lines of business and group them into four companies.

Imperial Tobacco, Britain's second-largest tobacco concern, will form one company. America's largest coal miner, Peabody Coal Co., will join the recently acquired British electricity utility Eastern Energy PLC to form Energy Resources. Quantum Chemical Co. of the United States will become the core of a new chemical company.

The rest of the conglomerate, including the Belgian brick manufacturer Desimpel Kortemark Co. whose purchase was announced Monday, will comprise a building-materials and equipment company.

The stock market appeared to applaud the move. Hanson shares rose 10 pence, to 215 ($3.24), in London. Its American depositary receipts closed unchanged, at $15.75.

But Hanson's bonds lost value as Standard & Poor's Corp. and Moody's Investors Service Inc. said they were considering downgrading the company's debt.

Hanson's move follows a decision by ITT Corp. of the United States to break itself up last year and a more recent announcement from AT&T Corp. along similar lines.

Hanson foreshadowed Tuesday's move last year when it spun off a package of 34 companies with annual sales totaling about $3 billion. The companies were grouped as U.S. Industries Inc.

"The USI demerger demonstrated that increased focus works, and I am sure it will work for us," said Derek Bonham, Hanson's chief executive. Stock in U.S. Industries has risen more than 25 percent since the company was listed in July.

The need for Hanson to increase its focus has been evident in its share price. "Hanson has been a loser in the market for five consecutive years," said John Shelley, a director at Scottish fund managers Abtrust. Last year alone, Hanson's shares dropped from a high of 240 pence in May to 185 in December.

"With stock markets at record levels, it got harder and harder to make the kind of bargain acquisitions Hanson was famous for," said Charles Pick, an analyst at Panmure Gordon. The most striking example of that difficulty was Hanson's £2.5 billion ($3.77 billion) acquisition of Eastern, completed just four months ago. That transaction pushed Hanson's total borrowings to £4.7 billion and its gearing, or debts as a percentage of assets, to nearly 150 percent.

The breakup of Britain's most famous conglomerate surprised many, if only for its timing.

"It does seem a bit odd to take over a large company like Eastern in September and then turn around and seek a relisting of it, with Peabody, a few months later," said Mr. Pick.

Hanson expects to complete the demerger of Imperial Tobacco and of its chemicals operations by October and that of its energy unit by the end of the year. The rump of the company, which will retain the Hanson name, will consist mostly of building materials and equipment firms.

Lord Hanson will remain chairman of Hanson and will help oversee the breakup of the firm he built up over three decades.

Jobless Rate Hits a High in Japan

Compiled by Our Staff From Dispatches

TOKYO — Japan's jobless rate remained at a record 3.4 percent for a second month in December, pushing average unemployment for the year to 3.2 percent, its highest level since the government began compiling data in 1953, the Economic Planning Agency said Tuesday.

The news, however, comes amid growing signs, ranging from rising industrial production to increased consumer confidence, that a recovery may finally be gaining speed in Japan after a four-and-a-half-year slowdown.

Japan's joblessness reflected corporate efforts to slash payrolls, with the greatest losses coming at manufacturing companies. Young people and middle-aged men were the hardest hit, the Management and Coordination Agency said.

"We don't see any improvement in the employment situation soon, and in fact things could get a little worse," said Ron Bevacqua, an economist at Merrill Lynch.

The Labor Ministry offered some cheer, however, reporting that the jobs-to-applicant ratio, which economists say more directly reflects current conditions than the unemployment rate, improved to 0.65 in December from 0.63 the previous month. That means there were 65 jobs offered for every 100 applicants. For all of 1995, the ratio was 0.63.

The index of leading indicators, which predicts the economy's performance in the coming six months, was at 60.0 on a scale of 100 in November, above the "boom or bust" 50-point mark for the second month in a row, the planning agency said.

The agency also said Japan's consumer confidence index rose in the fourth quarter, the second consecutive quarterly rise. The agency attributed the gain to the "significant improvement" in the public's views of labor market conditions, wages and lifestyle.

On Monday, the Ministry of Trade and Industry said first-quarter industrial output was likely to rise by slightly less than 3 percent from the previous quarter. Japan's industrial production in December rose 0.8 percent from the previous month, the ministry said.

(Bloomberg, Reuters, AFX)

MEDIA MARKETS

George Is Catching On

By Deirdre Carmody
New York Times Service

NEW YORK — John F. Kennedy Jr. and his partner, Michael J. Berman, are sitting on top of the world.

In fact, they are sitting 41 floors above Broadway in Mr. Berman's office, smiling broadly, cracking jokes and ticking off the successes of their 5-month-old magazine, George.

This month George received widespread attention when Mr. Kennedy assumed full editorial responsibility after Eric Etheridge, the editor, left, citing editorial differences with the co-founder.

"It's my name in the editor in chief position, and if the magazine works or doesn't work, people will say it's John Kennedy's magazine," Mr. Kennedy said.

George, which comes out every two months, published its third issue Tuesday, with Charles Barkley, the basketball superstar, appearing in a white wig as George Washington in what has become the magazine's signature send-up cover.

Mr. Berman, 38, the executive publisher, said the issue contained 50 new advertisers, an impressive showing for a fledgling magazine.

The issue's 100 ad pages compare, for instance, with 104 pages in the February issues of GQ, 62 in Vanity Fair and 39 in Esquire, according to Media Industry Newsletter.

The first two issues, with 175 ad pages in each, set records for a new publication. (Advertisers who wanted to be in the first issue had to take at least one ad page in the second issue.)

The desire to be in the first issue was clearly linked to the start-up's high visibility as Mr. Kennedy's magazine. The third issue is considered the real test.

Neither Mr. Berman, who had spent his career in marketing and public relations, nor Mr. Kennedy, a former assistant district attorney, had any publishing experience before George.

They had formed a company, Random Ventures, and had a few rather far-fetched ideas scribbled on a napkin about starting a "postpartisan" political magazine. They had also just scrapped the plan for their first project, which was to sell kayaks.

The two young entrepreneurs teamed with Hachette Filipacchi USA Inc., a unit of Matra-Hachette SA of France, whose publications range from fashion to automobile magazines. Hachette agreed to bankroll the start-up with $20 million and distribute the magazine. Hachette and Random Ventures are to split the profit.

Some say that the link with Hachette was not the best idea. "They are part of this transnational machine that puts pressures on a publication," said Victor Navasky, publisher of The Nation.

See GEORGE, Page 15

Seychelles To Face Critics On New Law

International Herald Tribune

PARIS — The world's wealthy nations are expected to censure the Seychelles on Wednesday over a new investment law that is considered an invitation to criminals and money-launderers, according to a source close to a task force that has studied the issue.

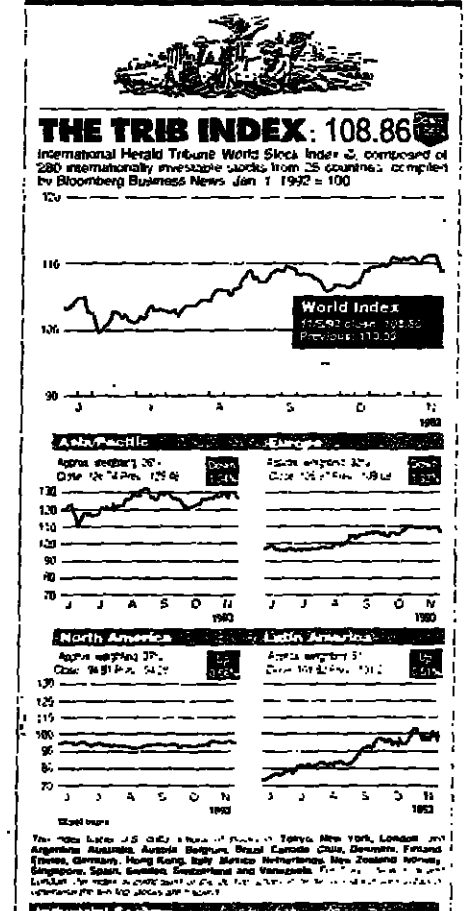
The criticism is expected in a statement to be issued by the 28-nation Financial Action Task Force, a group that will meet at the offices of the Organization for Economic Cooperation and Development here.

The Seychelles, an island nation in the Indian Ocean, earned the wrath of the United States and some European countries in November when it introduced a law saying anyone who invested $10 million or more in the country would be entitled to protection from extradition.

"They are basically saying, 'Come to the Seychelles and the proceeds of your illegal activities will be protected and so will you,'" a source close to the task force said.

The task force was formed in 1990 by the Group of Seven leading industrial countries to coordinate the battle against money-laundering, or the disguising of illegally obtained money to make it look legitimate. The group brings together law enforcement and treasury officials from members of the OECD and the Gulf Cooperation Council.

The 25 key world markets reported in a single index — daily in the IHT.



The Trib Index, the IHT's exclusive global equities index, tracks share price movements in all the world's major markets and industrial sectors.

This unique index provides a quick, selective benchmark on the state of the world's stock markets and, indirectly, the international economy.

It is the only major world equities index to carry a Latin American component.

The Trib Index appears daily in the International Herald Tribune.

Herald Tribune (International)
THE WORLD'S DAILY NEWSPAPER

CURRENCY & INTEREST RATES

Cross Rates

Jan. 30

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.6485	2.5104	1.12	3.256	0.3343*	—	5.4465*	1.3758	1.5557*	1.2185	1.305*
Brussels	30.545	46.90	20.5675	5.5515	1.940*	18.355	—	25.255	0.2854	22.18	24.27*
Frankfurt	1.4645	2.237	—	29.759	0.5364*	0.8928	4.8627*	1.2254	1.3878*	1.0763	1.181*
London (a)	1.5535	—	2.2415	7.5952	2,408.40	2.5104	46.0585	1.8258	161.305	2.0699	189.51
Madrid	125.865	189.305	84.472	24.436	7.935*	75.595	4.3173	104.846	117.499*	91.319	—
Milan	1,595.25	2,462.85	1,075.80	312.47	—	957.35	52.235	1,329.50	14.989	1,156.26	12.711
New York (b)	—	1.5355a	1.46	5.12	1,501.30	1.4479	29.64	1.2175	107.35	1.3771	125.77
Paris	5.109	7.464	3.457	—	0.3157*	3.0685	0.1671	4.2234	4.7884*	3.7068	4.059*
Tokyo	106.70	160.97	72.93	20.96	0.569	64.92	3.503	88.55	—	77.43	0.8496
Toronto	1.3772	2.1730	0.9244	0.2586	0.085*	0.8254	0.0446*	1.1316	1.2841*	—	1.094*
Zurich	1.2125	1.8648	0.8143	0.2337	0.0756*	0.7271	3.9596*	—	1.1307*	0.8799	0.9631*
1 ECU	1.2672	2.0429	1.8365	6.4844	2,023.54	2.1132	38.7997	1.5354	136.958	1.7494	159.755
1 SDR	1.4557	0.9637	1.5857	6.4844	2,023.54	2.1132	38.7997	1.5354	135.958	1.7494	159.755

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers; Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Eurocurrency Deposits

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 mo.	5 7/16 - 5 9/16	3 5/16 - 3 7/16	1 5/8 - 1 3/4	6 3/16 - 6 5/16	4 9/16 - 4 11/16	3/8 - 1/2	4 11/16 - 4 13/16
3 mo.	5 1/4 - 5 3/8	3 5/16 - 3 7/16	1 9/16 - 1 11/16	6 1/16 - 6 3/16	4 7/16 - 4 9/16	3/8 - 1/2	4 5/8 - 4 3/4
6 mo.	5 3/16 - 5 5/16	3 1/4 - 3 3/8	1 9/16 - 1 11/16	6 1/16 - 6 3/16	4 3/8 - 4 1/2	1/2 - 5/8	4 9/16 - 4 11/16
1 yr	5 - 5 1/8	3 1/4 - 3 3/8	1 11/16 - 1 13/16	6 - 6 1/8	4 3/8 - 4 1/2	5/8 - 3/4	4 1/2 - 4 5/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5 1/4	5 1/4
Prime rate	8 1/2	8 1/2
Federal funds	5 7/16	5 7/16
3-month CDs	4.94	4.99
Comm. paper 180 days	6.11	6.11
3 month Treasury bill	4.97	5.00
1-year Treasury bill	4.69	4.76
2-year Treasury note	4.99	5.07
5-year Treasury note	5.10	5.37
7-year Treasury note	5.43	5.50
10-year Treasury note	5.61	5.68
30-year Treasury bond	6.04	6.09
Merrill Lynch 30-day RA	5.14	5.15
Japan		
Discount rate	0.50	0.50
Call money	0.41	0.41
1-month interbank	0.44	0.44
3-month interbank	0.53	0.53
6-month interbank	0.53	0.53
10-year Govt bond	2.84	2.81
Germany		
Lombard rate	5.00	5.00
Call money	3.47	3.45
1-month interbank	3.53	3.53
3-month interbank	3.43	3.45
6-month interbank	3.37	3.32
10-year Bond	5.88	5.93
Britain		
Bank base rate	6 1/4	6 1/4
Call money	6 5/16	6 1/8
1-month interbank	6 3/16	6 5/16
3-month interbank	6 1/4	6 1/4
6-month interbank	6 1/8	6 1/8
10-year Gilt	7.44	7.48
France		
Intervention rate	4.20	4.20
Call money	4 1/2	4 5/8
1-month interbank	4 5/8	4 7/16
3-month interbank	4 1/2	4 5/8
6-month interbank	4 7/8	4 3/4
10-year OAT	6.36	6.43

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	406.40	405.35	—0.65
London	406.70	406.55	+2.05
New York	408.80	407.00	—1.80

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (April.)
Source: Reuters.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	238.45	Mex. peso	7.3775	S. Afr. rand	3.6533
Australian $	1.3481	Hong Kong $	7.7318	N. Zealand $	1.4984	S. Kor. won	784.80
Austrian sch.	10.458	Hung. forint	145.47	Norw. krone	6.5109	Swed. krona	6.956
Brazil real	0.972	Indian rupee	36.009	Phil. peso	26.18	Taiwan $	27.47
Chinese yuan	8.2928	Indo. rupiah	2280.	Polish zloty	2.54	Thai baht	25.33
Czech koruna	27.35	Irish £	0.6414	Port. escudo	154.55	Turkish lira	62437.5
Danish krone	5.754	Israeli shek.	3.131	Russ ruble	4732.	UAE dirham	3.671
Egypt. pound	3.3945	Kuwaiti dinar	0.2998	Saudi riyal	3.75	Venez. boliv.	362.00
Fin. markka	4.554	Malay. ring.	2.5593	Sing. $	1.4197		

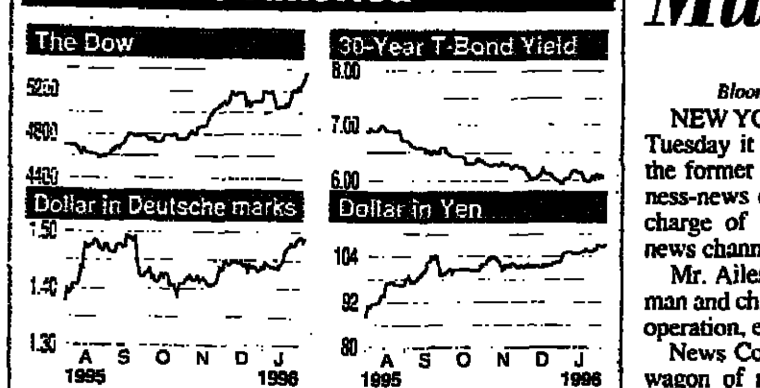
Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5057	1.5041	1.5032	Japanese yen	106.53	106.08	105.65
Canadian dollar	1.3792	1.3792	1.3793	Swiss franc	1.2075	1.2044	1.2007
Deutsche mark	1.4821	1.4796	1.4771				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

THE AMERICAS

Investor's America



Exchange	Index	Tuesday Close	Prev. Close	% Change
NYSE	The Dow	5381.21	5304.98	+1.44
NYSE	S&P 500	630.15	624.22	+0.95
NYSE	S&P 100	604.82	598.99	+0.97
NYSE	Composite	337.28	334.20	+0.92
U.S.	Nasdaq Composite	1052.38	1042.33	+0.96
AMEX	Market Value	550.96	547.66	+0.60
Toronto	TSE Index	4987.87	4949.21	+0.78
São Paulo	Bovespa	51334.97	49348.06	+4.03
Mexico City	Bolsa	3065.11	3087.99	-0.74
Buenos Aires	Merval	563.90	561.42	+0.44
Santiago	IPSA General	5640.50	5662.39	-0.39
Caracas	Capital General	2058.19	2077.24	-0.92

Source: Bloomberg, Reuters — International Herald Tribune

Murdoch Hires a News Chief

Bloomberg Business News

NEW YORK — News Corp. said Tuesday it had hired Roger Ailes, the former head of the cable business-news channel CNBC, to take charge of its own 24-hour cable news channel.

Mr. Ailes, 55, was named chairman and chief executive of the new operation, effective next Monday.

News Corp. is joining the bandwagon of networks that have decided to launch news channels to compete with the all-news pioneer, Turner Broadcasting System Inc.'s Cable News Network. General Electric Co.'s NBC and ABC, a unit of Capital Cities/ABC Inc., have both said they would start news channels. CBS, which is owned by Westinghouse Electric Corp., has said it is interested in the idea but has not committed itself to starting one.

Rupert Murdoch, News Corp.'s chairman, said he was not concerned about the growing competition for news networks.

"As we find more news channels, the audience will grow," he said.

Still, Mr. Murdoch and his Fox Broadcasting Co. will start virtually from scratch, while NBC, ABC and CNN have sizable investments in the news business.

The new network will start by the end of the year, Mr. Murdoch said, and will cost $50 million to $100 million a year to run. Fox now spends $30 million on news.

Mr. Murdoch said the channel would have an on-line presence, but he did not elaborate.

NBC is set to launch a news channel this year coupled with an on-line service in conjunction with Microsoft Corp.'s Microsoft Network.

Mr. Ailes, a former media consultant who helped Ronald Reagan's election campaigns, took charge of CNBC in August 1993. He resigned this month after Andrew Lack, president of NBC News, was chosen to run NBC's news channel instead of him.

Unlike the three other major networks, Fox does not have national news, nor does it have a pack of television news journalists around the world ready to feed reports back to the headquarters in New York.

GM Posts Record Net As Cost Cuts Pay Off

By Lawrence Malkin
International Herald Tribune

NEW YORK — General Motors Corp. reported record profit Tuesday for the fourth quarter and the full year, results that analysts said reflected cost controls the automaker imported from Europe and that pointed to more gains to come.

Investors seized upon the good news from GM, combined with weak economic data that put pressure on central bank policymakers to reduce interest rates, to push stocks sharply higher.

John F. Smith Jr., the chairman who was moved from the company's European operations to reshape the stodgy corporation in Detroit, claimed "solid progress" toward his goal of making the world's largest automaker also the most profitable one despite a slight worldwide decline in the sector during 1995.

Last year's $6.9 billion profit represented earnings of $7.21 a share, compared with $5.15 a share in 1994. For the final quarter of 1995, net income was $1.9 billion as favorable income-tax developments in Europe and Latin America offset launch costs for the Vectra model in Europe and a rising dollar that depressed foreign-currency profits.

The report elevated GM's stock by $1.375, to $53.625. The shares have risen by a third since Mr. Smith arrived in 1992 with a team of marketers, designers, and purchasers from his headquarters in Zurich. In their first full year, they put a stop to GM's losses, earning $2.5 billion in 1993, by laying off workers, closing plants and starting to reorganize production.

GM's North American operations returned net income of $2.4 billion last year, more than triple the $677 million of 1994. Mr. Smith said the result reflected the company's innovations in using its production capacity.

Wendy Beale Needham, auto analyst at Donaldson, Lufkin & Jenrette Securities Corp., confirmed that the fourth quarter's figures "showed significant progress in cost reduction that will show up as GM's new products are introduced in 1996." She was referring specifically to the company's minivans and full-sized vans and a number of passenger models as well as the Saturn compact built at a special plant in Tennessee with lessons learned from Japanese production teams.

"Their European operations were GM's lowest-cost operations, and they learned a lot from them," said Ms. Needham, citing the design team headed by Wayne Cherry and the price squeeze on subcontractors instituted by José Ignacio López de Arriortúa, the Spaniard who was known as "the Grand Inquisitor" for his close examination of suppliers' books.

Mr. López de Arriortúa later jumped to Volkswagen AG, touching off a widely publicized dispute between the two companies, but Ms. Needham said his cost-cutting principles were entrenched at GM and spreading industrywide.

"Everyone in the industry is squeezing subcontractors," she said.

■ **Wall Street Surges Anew**

General Motors' unexpectedly strong earnings fueled the rally on Wall Street, where stocks rose to record high for the third straight trading day, Bloomberg Business News reported from New York.

The report buttressed three weeks of better-than-expected profits from many leading U.S. companies, calming concern that a slowdown would stunt profit growth.

"Most people have underestimated earnings for every quarter the last two years, and it seems that slowdown never quite gets there," said Alfred Kugel, an investment strategist at Stein Roe & Farnham.

The Dow Jones industrial average closed 76.23 points higher, at 5,381.21. Two issues rose on the New York Stock Exchange for every one that fell.

Treasury bonds surged as signs of waning consumer demand buoyed expectations the Federal Reserve Board's Open Market Committee would cut interest rates at some point in its two-day meeting that began Tuesday.

The price of the benchmark 30-year issue rose 24/32, pushing its yield down to 6.04 percent from 6.09 percent.

Among blue-chip issues, Eastman Kodak rose 1¾, to 72⅞, after Salomon Brothers raised its investment rating.

Revived Pan Am Gets Injection of Funds

Compiled by Our Staff From Dispatches

NEW YORK — Pan American World Airways Inc. said Tuesday it had agreed to merge with Frost Hanna Mergers Group Inc., bringing $10 million in cash to the latest version of the international airline that collapsed more than four years ago.

Pan Am, which filed for bankruptcy in 1991, said it planned in its revived form to offer low-cost domestic flights this summer on Airbus A-300 jets linking New York, Los Angeles, San Francisco, Chicago and Miami. San Juan and other destinations will be added later.

"This is not a shoestring operation," said Martin Shugrue, chief operating officer of the original Pan Am and chief executive of the new company. "This will be a full-service, real-amenity, real airline."

Mr. Shugrue and Charles Cobb, a former U.S. undersecretary of commerce who purchased the rights to the Pan Am name in 1993, have been negotiating with banks and investment groups for $30 million to $40 million in financing to start up the venture.

Since its initial public offering in March 1994, Frost Hanna Mergers' sole purpose has been to merge with or acquire another company. The company has no business operations of its own. *(Bloomberg, AP)*

Dollar Drifts Higher on Rate-Cut Hopes

Compiled by Our Staff From Dispatches

NEW YORK — The dollar rose haltingly Tuesday as U.S. securities markets rallied despite disappointing economic data, increasing the demand for dollars.

Investors were counting on lackluster retail sales and declining consumer confidence to force the Federal Reserve Board to cut interest rates at the two-day meeting of its policy-making Open Market Committee that opened Tuesday.

Lower interest rates often weaken a currency, but the dollar gained as traders expected cuts in European rates as well.

In late trading in New York, it was at 1.4900 Deutsche marks, up from 1.4825 DM on Monday, and at 107.250 yen, up from 106.750 yen.

The dollar also gained against other European currencies, rising to 5.1200 French francs from 5.1038 francs and to 1.2175 Swiss francs, against 1.2055 francs.

The pound slipped to $1.5055 from $1.5068.

The dollar may have been buoyed

FOREIGN EXCHANGE

by bullish comments by the chief currency economist at Goldman Sachs & Co., who said in Tokyo that he expected it to reach 1.55 DM and 112 yen in the next six months.

Hours before the Fed policymakers met, the Commerce Department reported that retail sales rose a lower-than-expected 0.3 percent in December after climbing 0.7 percent in November. The November figure was revised downward from 0.8 percent originally reported.

Auto sales were the one bright spot, rising 0.7 percent for the month. Without autos, the sales total was up only 0.2 percent, as department-store, clothing, hardware and furniture sales all declined.

The New York-based Conference Board added weight to the view that spending would continue to sag, reporting that consumer confidence fell to its lowest level in two years as Americans fretted about job security. The board's index of consumer confidence dropped to 87.0 in January from 99.2 in December, the fourth decline in five months and the lowest level since last March. *(Bloomberg, AP, Knight-Ridder)*

Very briefly:

Tobacco Sales Fire RJR Profit

NEW YORK (Bloomberg) — RJR Nabisco Holdings Corp. said Tuesday that fourth-quarter earnings before charges rose 1.4 percent, to $207 million, as the company increased sales of its cigarettes.

Revenue rose 6.9 percent, to $4.32 billion.

The maker of Camel and Winston cigarettes said operating profit at its U.S. tobacco division rose 1 percent as revenue jumped 5 percent. Unit sales rose 1 percent.

"In domestic tobacco, we achieved stable market-share performance for the first time in many years," the company's president, Steven Goldstone, said.

• **MCI Communications Corp.** reported a fourth-quarter profit of $284 million, up 17 percent from a year earlier, and the company said network traffic rose 22 percent in the quarter, the highest growth rate in the last four years.

• **ITT Industries** said its fourth-quarter profit fell 86 percent, to $42 million, after taking into account its share of the cost of the break-up last year of ITT Corp. Sales for the quarter totaled $2.25 billion, up 4 percent.

• **Peru's government** selected a group headed by Merrill Lynch & Co. and J.P. Morgan & Co. to manage the sale of its remaining $1.4 billion stake in Telefónica del Peru SA, the country's telephone company.

• **Browning Ferris Industries Inc.**, a waste-management company, said earnings for its first quarter fell 7.4 percent, to $83 million, from a year earlier. The results for the quarter, which ended Dec. 31, were below most estimates due to low prices for recycled commodities. *(AP, Bloomberg, Reuters)*

WORLD STOCK MARKETS

Tuesday, Jan. 30
Prices in local currencies.
Telekurs

Amsterdam

	High	Low	Close	Prev.
ABN-AMRO	73.90	73.10	73.10	73.60
Aegon	71	70	70.30	71
Ahold	66.90	66.30	66.50	66.60
Akzo Nobel	179.90	178	178.60	179.70
Bols Wess cva	36	35.10	35.10	35.90
CSM cva	75.40	73.60	73.60	75.40
Dordtsche Pet	243.70	241.20	243.40	242.70
DSM	140.50	137.70	139	138.60
Elsevier	23.10	22.80	23	22.90
Fortis Amev	109	107	107.80	108.70
G-Broc cva	51.70	50.60	50.70	51.70
Hagemeyer	91.90	91.30	91.90	91.50
Heineken	302	299	300.30	302
Hoogovens	57.50	56.40	56.90	57.50
Hunt Douglas	81.80	81	81.30	81.50
ING cva	110.20	108.50	108.60	110.10
KLM	54.40	50.10	51.50	53.90
KNP BT	43	42.10	42.50	42.50
KPN	64	63.40	63.50	63.70
Nedlloyd Gp	31.40	30.10	31	30.30
Nutricia	147.10	146.10	146.60	146.40
Oce Grinten	114.70	114	114.30	114.50
Pakhoed	40.90	39	39	40.90
Philips Elec	66.50	65.10	66	66.30
Polygram	94	91.30	94	91.90
Randstad Hdg	76.40	74.90	76.20	74.60
Robeco	119.90	119.30	119.30	119.70
Rodamco	47.70	47	47.50	47.50
Rolinco	127.10	126.50	126.50	127.20
Rorento	96.60	96.50	96.60	96.70
Royal Dutch	230.40	228	229.80	230
Stork	42	40.80	41.20	41.60
Unilever cva	238.70	236.30	238.50	239
VNU	248.50	245.50	246.50	248.50
Wolters Kl cva	163.90	162.30	163.50	162.40

EOE index: 502.88
Previous: 505.61

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	490	486	486	492
Bangkok Bk F	348	342	346	344
Krung Thai Bk	130	125	130	125
PTT Explor	288	286	288	288
Siam Cement F	1402	1336	1390	1336
Telecomasia	79.50	77.50	79.50	77.50
Thai Airways	46.50	46	46.25	46
Thai Farm Bk F	290	276	284	276
Thai Teleph	139	137	139	139
Utd Comm	344	340	342	344

SET index: 1393.34
Previous: 1376.45

Bombay

Monday, Jan. 29

	High	Low	Close	Prev.
Assoc Cement	2780	2620	2775	2605
Grasim Ind	510	496	508	518
Hindalco Ind	906	900	902	904
Hindust Lever	640	628	640	634
Indian Hotels	620	600	616	604
ITC	198	189	198	191
Larsen Toubro	247	239.50	246.50	242.50
Reliance Ind	164.50	150	164.25	155
Tata Eng Loco	364	356	360	360
Tata Iron St	165	153	164.50	157.50

Sensitive index: 2872.18
Previous: 2826.08

Brussels

	High	Low	Close	Prev.
Arbed	3585	3500	3585	3500
Barco Ind	3800	3765	3800	3780
BBL	5840	5710	5760	5790
Bekaert	27000	26475	26725	26500
CBR	12075	11925	11925	11975
CMB	2460	2420	2440	2405
Cockerill	179	175	178	176
Colruyt	9030	8820	9000	8850
Delhaize Lion	1280	1262	1278	1266
Electrabel	7360	7290	7360	7280
Electrafina	3080	3065	3070	3070
Fortis AG	3720	3680	3720	3690
GIB	1366	1354	1366	1364
GBL	4095	4050	4095	4060
Gen Banque	11475	11275	11475	11350
Glaverbel	3150	3110	3130	3125
Kredietbank	8590	8470	8550	8470
Mosane	2000	2000	2000	2000
Petrofina	8930	8800	8930	8840
Powerfin	4295	4230	4295	4280
Recticel	330	330	330	323
Royale Belge	6400	6200	6350	6240
Soc Gen Belg	2570	2550	2570	2590
Solvay	17000	16725	17000	16700
Tessenderlo	11700	11400	11475	11625
Tractebel	13200	12950	13125	13075
UCB	47000	45200	46950	45200
Union Miniere	2215	2165	2215	2170

Stock Exchange index: 8895.66
Previous: 8782.45

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	319	315.21	317	317
Danisco	289	284	284	286.30
Den Danske Bk	408	404	406	407
D/S Svendbrg A	N.T.	N.T.	N.T.	174000
D/S 1912 A	120000	120000	120000	120500
East Asiatic Co	125	122	122	125
FLS Ind B	483	478	478	480
ISS Intl Svc B	150	143	145	148
Nvo Nordisk B	782.90	770	773	776
Radiometer B	415	414	414	415
Sophus Ber B	647	644	646	646
Tele Danmk B	318	315	318	314
Unidanmark A	294	288.77	293	290

Stock Market index: 387.19
Previous: 387.46

Frankfurt

	High	Low	Close	Prev.
AMB	920	920	915	915
AEG	167	165.20	166	164.70
Allianz Hdg	2870	2854	2860	2885
Altana	888	884	887	882
Asko Deutsche	839	830	835	825
Badenwerk	486	486	487	480
BASF	352.30	346.50	347.50	345.50
Bayer Hypo Bk	39.15	37.70	38.07	37.40
Bay.Vereinsbank	44.40	44.18	44.20	44.35
Bayer	440.70	434.30	435	439.80
Berliner Kraft	420	406	406	424
BHF Bank	43.20	42.75	42.85	42.72
BMW	843	833	840	839.50
CKAG Colonia	1195	1195	1195	1195
Commerzbank	345.70	344	344.20	345.50
Daimler Benz	831.50	819.50	824.50	819
Degussa	536	534	535	535
Deutsche Bank	73.70	73.10	73.35	73.40
Dresdner Bank	39.45	39.25	39.23	39.35
Heidelbg Zmt	932	923	930	936
Henkel	577	575	575	578
Hochtief	654	647	654	648
Hoechst	434	429.50	431	429.50
Holzmann Ph.	559	550	550	540
Karstadt	589	582	582.50	592
Kaufhof Hdg	475	469	470.50	474.50
Linde	889	884	888	887
Lufthansa ord	221	215.50	216	221
MAN	437	433.50	435	435.50
Mannesmann	517	509.50	510.50	517
Muench Rueck	3195	3177	3185	3195
Preussag	436	432.50	433	435
PWA	215.50	215.50	215.50	215.50
RWE	575	571	572.40	577.50
SAP pfd	224.80	221.50	224.80	229.50
Schering	106.95	106.35	106.50	107.10
Schmalb Lub	233	232	233	234
Siemens	842	836.50	838.80	839.50
Suedzucker	785	785	785	787
Thyssen	285.50	285	285	288.60
Veba	65.30	64.90	65.28	65.40
VEW	513	502	509.50	517
Viag	634	630.50	634	635
Volkswagen	532	527	528.50	532
Wella	765	760	765	765

DAX index: 2435.79
Previous: 2446.85

Helsinki

	High	Low	Close	Prev.
Cultor 1	193	191.10	193	190
Enso-Gutzeit R	28.30	28	28.10	28
Huhtamaki IF	134.50	132	134	132
Kesko	59	57.50	58.50	57
Kone BF	350	350	350	335
Kymmene F	108.50	105.50	107	109
Merita A	11.90	11.70	11.70	12
Metra BF	177	176	177	172
Metso-Serla B	123.40	123.20	123.40	123.10
Nokia Prf F	175.50	170.50	174	170
Outokumpu A	66	65	66	64
Rautaruukki	26.70	26.30	26.70	26
Repola	78	76.20	77	78
Stockmann A	240	240	240	240
Valmet A	117	115.50	116.60	117

HEX General index: 1739.91
Previous: 1719.30

Hong Kong

	High	Low	Close	Prev.
Amoy Props	9.10	8.95	9.10	9
Bk East Asia	32.90	31.40	32.80	31.50
Cathay Pacific	14.20	13.65	14.15	13.65
Cheung Kong	57	55.50	56.75	56
China Light	37.10	36.60	37	36.80
Chin Estates	7.40	7.10	7.40	7.25
Citic Pacific	29.70	29.40	29.55	29.50
Cons Elec Pwr	14.65	14.10	14.60	14.65
Dao Heng Bk	32.40	32.20	32.40	32.20
First Pacific	9.80	9.65	9.75	9.80
Great Eagle	24.10	23.80	24.10	23.85
Guangdong Inv	5.40	5.25	5.30	5.25
Guoco Group	41	40	40.90	40.20
Hang Lung	15	14.70	15	14.80
Hang Seng Bk	74	72.75	74	73.25
Henderson Inv	7.45	7.20	7.45	7.20
Henderson Ld	57.50	55	57.25	56
HKR Intl	8.55	8.10	8.50	8.30
HK Aircraft	24.35	23.50	23.85	24.35
HK China Gas	13.90	13.60	13.80	13.60
HK Electric	26.35	26	26.35	25.85
HK Shang Hils	12.25	12.10	12.25	12.35
HK Telecomm	14.65	14.40	14.55	14.45
Hopewell Hdgs	5.30	5.05	5.25	5.10
HSBC Hdgs	127	124	126	125
Hutchison Wh	49.50	48.70	49.50	49.30
Hysan Dev	23.50	23.20	23.30	23.30
Johnson El 500	16.90	16.55	16.60	16.85
Miramar Hotel	17	16.80	16.80	16.80
Natl Mutual	7.40	7.20	7.40	7.20
New World	38.10	36.90	37.70	37
Oriental Press	3.38	3.25	3.38	3.23
Orient Telecom	2.40	2.38	2.38	2.38
Shangri-La	10.40	10.30	10.40	10.25
SHK Props	72.50	70	72.25	70
Shun Tak Hdgs	5.90	5.70	5.85	5.80
Sino Land Co.	8.30	8.20	8.25	8.20
Sth China Post	5.50	5.35	5.35	5.48
Swire Pac A	66.50	64.75	66.50	65
Tsim Sha Tsui	8.50	8.35	8.50	8.40
TV Broadcasts	29.60	28.70	28.70	29.60
Wharf Hdgs	30	29.50	30	29.80
Wheelock	16.55	16	16.55	16.10

Hang Seng index: 11201.50
Previous: 11059.60

Jakarta

	High	Low	Close	Prev.
Astra Intl	3475	3475	3475	3450
Barito Pacific	1950	1900	1950	1900
Gudang Garm	27300	27050	27225	27100
Indah Kiat	1775	1725	1750	1775
Indocement	9025	8950	9000	9000
Indofood	11975	11850	11875	11975
Indorayon	2250	2225	2225	2250
Indosat	9075	8950	9050	8950
Kalbe Farma	8450	8375	8400	8450
Sampoerna	28200	27700	28200	27900

Composite index: 569.17
Previous: 565.71

Johannesburg

	High	Low	Close	Prev.
AngloAm-Corp	272.50	271	271.50	272
AngloAm Gold	388	385	388	382
AngloAm Ind	185	185	185	185
Barlow	58.25	58.25	58.25	58.25
C.G. Smith	29.50	29.50	29.50	29.25
De Beers	123.75	123.75	123.75	124
Driefontein	54.25	54	54.25	53
Freegold	38.75	38	38.75	37.50
Fst Natl Bk	35.50	35.50	35.50	35.50
Gencor	15.50	15.25	15.50	15.25
GFSA	133	133	133	130
Iscor	3.50	3.46	3.46	3.49
Johnnies Ind	57.50	57.50	57.50	58
Kloof Gold	45	44.50	45	44
Liberty Life	127	125	125	127
Nedcor	67	66.75	66.75	67
Rembrandt Gp	40.50	40.25	40.25	40.75
Richemont	61.50	60.75	61.25	61
Rust Platinum	73.50	73	73	73.50
SA Breweries	139	137.50	137.50	139.50
Sappi	49.50	49.50	49.50	50.75
Sasol	33.65	33.50	33.65	33.60
SBIC	177	177	177	177
Tiger Oats	69	69	69	70

All Market index: 6930.21
Previous: 6937.16

Kuala Lumpur

	High	Low	Close	Prev.
Genting	23	22.10	22.90	22.10
Hicom Hldgs	5.60	5.20	5.55	5.40
Mal Banking	23.10	22	23	22.30
Mal Intl Ship F	7.65	7.50	7.65	7.55
Public Bank F	6.05	5.85	6.05	5.90
Resorts World	14.30	13.90	14.30	14.20
Sime Darby	6.85	6.75	6.75	6.75
Telekom Mal	21.60	20.70	21.60	21
Tenaga	9.75	9.60	9.75	9.70
Utd Engineers	16.40	16.10	16.40	16.40

Composite index: 1052.89
Previous: 1041.26

London

	High	Low	Close	Prev.
Abbey Natl	6.21	5.94	5.95	6.13
Allied Domecq	5.32	5.06	5.13	5.27
Anglian Water	5.72	5.65	5.66	5.67
Argyll Group	3.32	3.26	3.26	3.30
Arjo Wiggins	1.82	1.78	1.82	1.78
Asda Group	1.07	1.05	1.06	1.06
Assoc Br Foods	3.71	3.67	3.70	3.67
BAA	4.95	4.85	4.90	4.93
Barclays	7.97	7.78	7.84	7.92
Bass	7.34	7.27	7.32	7.26
BAT Ind	5.80	5.68	5.77	5.70
Bank Scotland	3.13	2.98	3	3.11
BICC	2.90	2.82	2.87	2.89
Blue Circle	3.40	3.33	3.38	3.40
BOC Group	9.23	9.17	9.20	9.19
Boots	6.22	6.16	6.19	6.18
Bowater	3.84	3.75	3.78	3.75
BPB Ind	3.01	2.94	2.97	3
Brit Aerosp	8.97	8.86	8.87	8.87
Brit Airways	5.34	5.28	5.33	5.28
Brit Gas	2.39	2.34	2.41	2.35
Brit Petm	5.30	5.25	5.28	5.25
Brit Steel	1.71	1.64	1.67	1.68
Brit Telecom	3.56	3.50	3.54	3.52
BTR	3.38	3.20	3.36	3.25
Burmah Cast	9.92	9.83	9.83	9.88
Cable Wireless	4.36	4.28	4.35	4.32
Cadbury Schw	5.45	5.35	5.45	5.35
Caradon	2.20	2.15	2.17	2.16
Carlton Comm	10.50	10.25	10.33	10.40
Coats Viyella	1.92	1.87	1.90	1.91
Comml Union	6.22	6.10	6.15	6.19
Courtaulds	4.45	4.33	4.33	4.40
De La Rue	7.16	7.05	7.08	7.05
Eng China Cl	3.25	3.15	3.19	3.19
Enterprise Oil	3.86	3.79	3.82	3.83
Fam Colonial	1.65	1.63	1.64	1.65
Forte	3.44	3.40	3.41	3.96
Genl Accident	6.64	6.52	6.55	6.62
GEC	3.63	3.58	3.60	3.60
GKN	8.14	8.05	8.12	8.05
Glaxo	9.35	9.07	9.34	9.13
Granada Gp	7.06	7	7.03	7.03
Grand Met	4.52	4.43	4.50	4.49
GRE	2.66	2.58	2.59	2.63
Guinness	4.69	4.58	4.61	4.69
GUS	7.03	6.22	6.93	7.01
Hanson	2.30	2.04	2.15	2.05
Hillsdown Hdg	1.81	1.78	1.80	1.76
HSBC Hldgs	10.87	10.73	10.87	10.68
ICI	8.10	7.95	8.04	8
Inchcape	2.72	2.65	2.66	2.66
Kingfisher	5.38	5.30	5.39	5.36
Ladbroke	1.78	1.72	1.74	1.74
Land Sec	6.32	6.18	6.20	6.25
Laporte	6.58	6.45	6.55	6.51
Lasmo	1.74	1.67	1.68	1.74
Legal Genl Grp	7.15	7.07	7.10	7.11
Lloyds Abbey	4.83	4.77	4.83	4.82
Lloyds TSB Gp	3.37	3.12	3.12	3.37
London Elec	7.25	7.08	7.19	7.08
Lucas Ind	1.97	1.93	1.97	1.95
Marks Spencer	4.40	4.32	4.36	4.38
MEPC	4	3.96	3.96	3.98
Mercury Asset	9.03	8.95	8.95	9
Midlands Elec	3.95	3.78	3.94	3.79
Natl Power	4.38	4.32	4.35	4.34
NatWest	6.68	6.53	6.62	6.64
News Intl	3.12	3.08	3.12	3.07
Nwst Utilities	6.02	5.90	5.93	5.95
Nthn Foods	1.90	1.86	1.87	1.88
P&O	5.62	5.47	5.60	5.48
Pearson	6.69	6.50	6.62	6.46
Pilkington	1.96	1.90	1.92	1.95
Powergen	5.17	5.13	5.13	5.17
Prudential	4.28	4.23	4.26	4.27
Rank Org	4.60	4.53	4.59	4.57
Reckitt Coln	7.02	6.93	6.98	7.01
Redland	3.90	3.80	3.82	3.82
Reed Intl	10.32	10.17	10.32	10.15
Rentokil	3.48	3.37	3.48	3.41
Reuters Hdgs	6.20	6.04	6.12	6.17
RMC Group	10	9.73	9.88	9.73
Rolls Royce	2.04	1.99	2.04	1.99
Royal Bk Scot	5.87	5.63	5.67	5.87
RTZ reg	9.10	8.93	9.05	9.06
Royal Insur	3.85	3.76	3.79	3.81
Sainsbury	3.94	3.89	3.94	3.91
Schroders	12.95	12.80	12.82	12.92
Scot Newcastle	6.28	6.17	6.28	6.15
Scot Power	3.81	3.77	3.80	3.82
Sears	0.96	0.94	0.94	0.95
Severn Trent	6.25	6.17	6.18	6.23
Shell Trsp reg	8.58	8.46	8.50	8.54
Siebe	7.86	7.70	7.78	7.68
Smith Nephew	1.82	1.75	1.80	1.81
Smith (WH)	4.17	4.13	4.16	4.17
SmithKline cIA	7.33	7.17	7.17	7.27
Smiths Ind	6.62	6.55	6.55	6.58
Sthern Elec	7.95	7.19	7.75	7.75
Stand Charter	6.43	6.36	6.40	6.38
Sun Alliance	3.80	3.71	3.78	3.80
Tate & Lyle	4.77	4.70	4.77	4.74
Tesco	2.95	2.90	2.93	2.92
Thames Water	5.45	5.37	5.37	5.43
Thorn EMI	16.75	16.61	16.75	16.67
3i Group	4.12	4.08	4.11	4.12
TI Group	4.88	4.75	4.75	4.83
Tomkins	2.85	2.74	2.80	2.79
Unilever	13.58	13.43	13.45	13.53
Utd Biscuits	2.52	2.47	2.47	2.47
Utd News	5.98	5.91	5.92	5.93
Vendome uts	5.67	5.61	5.67	5.60
Vodafone	2.33	2.28	2.31	2.32
Whitbread	6.97	6.88	6.97	6.86
Williams Hdgs	3.39	3.30	3.33	3.38
Wolseley	4.72	4.57	4.59	4.61
Zeneca	12.72	12.53	12.72	12.58

FT-SE 100 index: 3735.30
Previous: 3734.60

Madrid

	High	Low	Close	Prev.
Acerinox	12630	12420	12630	12410
ACESA	1300	1275	1300	1280
Argentaria	5220	5120	5180	5130
BBV	4545	4510	4545	4545
Banesto	868	841	868	850
Bankinter	13200	12720	13140	12920
Bco Centro Hisp	2510	2430	2510	2445
Bco Exterior	3260	3210	3260	3260
Bco Popular	22540	22380	22440	22560
Bco Santander	6050	5940	6030	5980
CEPSA	3230	3205	3230	3155
Corp Mapfre	6850	6650	6850	6700
Dragados	1675	1630	1675	1650
Endesa	6920	6790	6870	6850
FECSA	840	832	836	840
Fomento Const	10250	9950	10250	9970
Gas Natural	18020	17900	17990	18030
Hidroel Cantab	4155	4130	4150	4130
Iberdrola	1165	1135	1165	1155
Pryca	2410	2370	2395	2405
Repsol	4235	4165	4235	4170
Sevillana Elec	920	913	920	920
Tabacalera	4800	4700	4800	4720
Telefonica	1835	1800	1835	1815
Union Fenosa	681	673	681	675
Valenc Cement	1390	1350	1385	1385

Stock Exchange index: 327.85
Previous: 325.61

Manila

	High	Low	Close	Prev.
Ayala A	23.50	23	23.50	23.50
Ayala Land	33.50	32.50	33.50	34
Manila Elec A	170	167	168	169
Metro Bank	535	530	535	535
Petron	14.75	14.25	14.50	14.75
Phil Long Dist	1675	1650	1660	1675
San Miguel A	58.50	58	58.50	58.50
San Miguel B	98.50	98	98.50	98.50
SM Prime Hdg	8	7.90	8	8.20

PSE index: 2868.38
Previous: 2886.58

Mexico

	High	Low	Close	Prev.
Alfa A	102.30	102.00	102.10	102.00
Cemex B	31.10	30.40	30.40	30.80
Cifra C	9.66	9.56	9.56	9.62
Empresas ICA	102.00	100.30	100.00	100.60
Emp Moderna	34.00	33.30	33.65	34.00
Femsa	21.85	21.35	21.50	21.45
Gpo Carso A1	52.30	50.50	51.00	50.80
Televisa CPO	110.50	104.50	105.30	108.00
TelMex L	12.76	12.60	12.64	12.74
Tribasa CPO	35.40	33.80	33.90	35.10

Bolsa index: 3065.11
Previous: 3087.99

Milan

	High	Low	Close	Prev.
Alleanza Assic	15235	15025	15235	15060
Bca Comm Ital	3605	3535	3605	3540
Bca Naz Agricol	1125	1101	1125	1115
Bca Naz Lavoro	12490	12010	12490	12140
Bca di Roma	1670	1602	1670	1609
Bco Ambrosian	4550	4470	4550	4450
Benetton	18785	18300	18750	18240
Credito Italiano	1950	1910	1950	1905
Enichem Aug.	N.T.	N.T.	N.T.	3400
Fiat	5410	5325	5400	5350
Fondiaria	7850	7575	7845	7645
Generali Assic	39700	39300	39700	39400
IFIL	5085	4940	5070	4950
Italcementi	10550	10300	10530	10255
Italgas	5250	5095	5235	5135
Mediobanca	10920	10600	10880	10605
Montedison	1017	1002	1012	1005
Olivetti	972	958	964	945
Pirelli	2150	2125	2145	2125
RAS	17510	17305	17510	17290
Rinascente	10150	10020	10120	10070
S Paolo Torino	9890	9505	9890	9730
SME	1645	1610	1634	1613
Standa	N.T.	N.T.	N.T.	21500
Stet	4750	4675	4750	4690
Telecom Italia	2750	2695	2745	2700
Toro Assic	21500	21050	21500	21000

MIB Telematico index: 9841.00
Previous: 9695.00

Montreal

	High	Low	Close	Prev.
Alcan I	19¼	19⅛	19¼	19¼
Bank Montreal	33⅜	33¼	33⅜	33¼
Bco Mob Com	44⅞	44⅛	44¼	45⅛
Can Tire A	15	14⅞	15	15
Cdn Util A	26⅜	26⅛	26⅜	26⅜
Cascades	7	6⅞	6⅞	7
CT Finl Svc	24½	24⅜	24⅜	24⅜
Extendicare	31¾	31¼	31¾	31
Gaz Metro	15⅛	15	15	15⅛
Gt-West Lifeco	29	28⅞	29	28⅞
Hees Intl Bcp	15	14⅝	14⅝	14½
Hudsons Bay	18⅛	17⅞	17⅞	18⅛
Imasco	26⅞	26½	26⅞	26⅞
Investors Grp	17⅛	17	17	16⅞
Loblaw Cos	33⅞	33½	33⅝	33⅞
Molson A	24	24	24	23⅞
Natl Bk Canada	11⅛	11⅛	11⅛	11⅛
Oshawa A	22⅜	22⅜	22⅜	22½
Pancdn Petm	51½	51½	51½	50½
Power Corp	21⅛	20⅞	21	20⅞
Power Finl	35	34½	34⅞	35
Quebecor B	23	22⅞	22⅞	23
Rogers Comm B	14⅝	14½	14⅝	14⅝
Royal Bk Cda	33¾	32⅞	33⅛	32⅞
Sears Canada	5⅞	5½	5⅝	5⅞
Shell Cda A	42	41½	41½	41⅞
Southam	14⅛	14⅛	14⅛	14⅛
Stelco A	6⅛	6	6	6
Trilon Finl A	4.55	4½	4.55	4½

Industrials index: 2448.77
Previous: 2399.70

Oslo

	High	Low	Close	Prev.
Aker A	83.50	81	83	84
Bergesen Dy B	127.50	127	127.50	128
Christiania Bk	15.60	15.50	15.50	15.60
Den Norske Bk	17.70	17.50	17.60	17.70
Dt Norsk Luft	287.50	283	287.50	287.50
Dyno Indust	132	131	132	132
Elkem	67	65	67	65.50
Hafslund A	185	182.50	183	183
Kvaerner	219	202	214	216
Leif Hoegh	95	94	95	95
Norsk Hydro	267	263.50	265.50	267
Norske Skog A	179	175	176	176
Orkla	306	296	303.50	302
Rieber B	129	128.50	128.50	128
Saga Petm B	71.50	70	70.50	71.50
Schibsted	89	89	89	90
UniStorebr A	35.10	34	35.10	34.40

OBX index: 409.34
Previous: 410.82

Paris

	High	Low	Close	Prev.
Accor	671	657	670	653
AGF	146.90	141.30	146.90	143.30
Air Liquide	909	894	909	901
Alcatel Alsth	458.90	440.20	456.50	440.60
Axa	327.80	323	324.40	327.40
Bancaire	512	486	504	484.20
BNP	212.60	203.60	211	204.80
Bouygues	N.T.	N.T.	N.T.	532
Canal Plus	1029	1013	1021	1025
Carrefour	3279	3235	3275	3275
CCF	247	241.10	247	241.40
Cerus	221	218.10	221	220.50
Credit Local	425.60	423.10	425.50	424.90
Credit Lyon PC	232.90	230	230.50	232
Danone	805	793	800	801
Elf-Aquitaine	380	375.50	379.90	378.10
Eridania BS	899	880	899	878
Euro Disney	13.15	12.90	13	13.15
Eurotunnel uts	6.30	6.10	6.10	6.25
Gen. Eaux	559	554	556	557
Havas	409	397.60	406.30	397.10
Lafarge Cop	342.50	333.70	342.50	333.70
Legrand	886	849	880	842
Loreal	1435	1408	1429	1410
LVMH	1135	1105	1128	1129
Lyon. Eaux	472.90	466.20	472.90	467.50
Michelin B	220.30	216.20	219	217.90
Navig Mixte	678	670	670	670
Paribas A	265	255	264.80	260.30
Pechiney Intl	92.50	89.50	92.50	98
Pernod Ricard	310.50	306	310	307.90
Peugeot Cit	737	713	732	716
Pinault-Print	1173	1131	1158	1136
Promodes	1340	1318	1339	1326
Renault	153	149	152.90	151.50
Rh-Poulenc A	115	112.10	115	110
Roussel-Uclaf	912	902	904	907
Sanofi	341.60	338	341.60	338.50
Schneider	204.90	195.50	204.50	195
Ste Generale	598	584	595	580
St Gobain	628	616	626	617
St Louis	1499	1476	1489	1465
Suez	194.90	189	193.70	188.70
Thomson CSF	128	124	128	124
Total B	350.30	345.20	346.30	351.70
UAP	120.50	118.70	119.30	118.70
Valeo	259.90	255.10	257.50	258

CAC-40 index: [illegible]
Previous: [illegible]

To Our Readers

Stock prices from São Paulo were not available Tuesday due to technical problems. We regret the inconvenience.

Seoul

	High	Low	Close	Prev.
Daewoo Heavy	[illegible]	8150	8150	8340
Hyundai Eng	[illegible]	35000	35500	35200
Hyundai Motor	[illegible]	33900	33900	33900
Korea El Pwr	[illegible]	28500	29000	28500
Korea Mob Tel	[illegible]	618000	621000	618000
LG Electronics	[illegible]	23800	23800	24000
Pohang Iron St	[illegible]	53000	53500	52800
Samsung Elec	[illegible]	140000	140500	140000
Samsung Hvy	19600	18800	19400	18700
Yukong	24500	23800	23900	23680

Composite index: 875.45
Previous: 873.15

Singapore

	High	Low	Close	Prev.
Cerebos Pac.	11.60	11.60	11.60	11.70
City Devlts	11.20	10.90	11.20	11.10
Cycle Carriage	16	15.80	16	16
Dairy Farm Intl *	1.01	0.96	0.97	1.01
DBS	10.60	10.50	10.60	10.60
DBS Land	5.40	5.15	5.40	5.35
Fraser & Neave	19.40	19	19.20	19.30
HK Land *	2.19	2.15	2.16	2.18
Hong Leong Fin	4.02	4	4	4.04
Jard Matheson *	8.45	8.20	8.45	8.10
Jard Strategic *	3.38	3.36	3.36	3.38
Keppel	13.10	12.90	13	13
Natsteel	2.89	2.88	2.88	2.88
Neptune Orient	1.66	1.63	1.65	1.65
OCBC foreign	18.70	18.50	18.60	18.60
O'Sea Union Bk	7.10	7.05	7.10	7.05
Sembawang	8.65	8.50	8.60	8.60
Sing Airlines F	14.80	14.60	14.60	14.80
Sing Petm	1.74	1.73	1.74	1.75
Sing Press F	27.10	26.80	26.90	27.10
ST Auto F	2.96	2.93	2.96	2.95
ST Ship	2.74	2.72	2.72	2.74
Sing Telecomm	3.56	3.48	3.52	3.56
Straits Steam	4.86	4.80	4.84	4.78
Utd Industrial	1.52	1.49	1.52	1.50
Utd O'Sea Bk F	15	14.60	15	15
Wing Tai Hdgs	3.46	3.32	3.44	3.32

*: In U.S. dollars.
Straits Times index: 2423.68
Previous: 2424.07

Stockholm

	High	Low	Close	Prev.
AGA BF	97	95	97	95.50
Asea AF	665	654	660	653
AssiDoman F	137	135	135.50	136
Astra AF	277.50	271.50	277	271
Atlas Copco AF	102.50	100.50	102.50	100
Avesta F	57	54	56	54
Electrolux BF	292	275	289	275
Ericsson BF	139	135.50	138.50	136
Gambro BF	153.50	153	153	152.50
Hennes BF	388	385	388	388
Incentive AF	301	299	301	298
Investor BF	218.50	117.50	218	215.50
Kinnevik BF	199	192	199	191
MoDo BF	298	287	297	293
Sandvik BF	115.50	112	115.50	112.50
SCA BF	102.50	100.50	102	101.50
S-E Banken AF	52	50.50	52	50
Skandia Fors F	174	173	174	172
Skanska BF	213	209	213	207.50
SKF BF	127	125	126.50	125.50
SSAB BF	70.50	68.50	70.50	68.50
Stora AF	71.50	68.50	71.50	70.50
Sv Handles AF	129.50	127	129.50	126.50
Sydkraft AF	136	136	136	138
Trelleborg BF	74.50	71.50	74	72.50
Volvo BF	133	129	133	129.50

SX 16 index: 1874.19
Previous: 1837.51

Sydney

	High	Low	Close	Prev.
Amcor	10.08	9.94	10	10.06
ANZ Bkng	6.98	6.72	6.73	6.83
BHP	18.88	18.63	18.63	18.88
Borai	3.40	3.36	3.40	3.38
Brambles Ind.	15.70	15.56	15.60	15.78
Burns Philip	2.95	2.89	2.90	2.95
CBA	11.51	11.42	11.45	11.49
CC Amatil	12.20	12.10	12.18	12.20
Coles Myer	4.28	4.24	4.25	4.28
Comalco	6.48	6.30	6.30	6.48
CRA Ltd	19.05	18.92	18.98	19.05
CSR	4.44	4.40	4.43	4.42
Fosters Brew	2.26	2.20	2.26	2.25
GIO Australia	3.32	3.29	3.30	3.30
Goodman Fld	1.34	1.33	1.33	1.33
ICI Australia	10.62	10.55	10.58	10.62
John Fairfax	3.03	2.99	2.99	2.98
Lend Lease	20.45	20.36	20.42	20.37
Mayne Nickless	6.03	5.99	6.01	6.02
MIM Hdgs	1.71	1.67	1.68	1.70
Nat Aust Bank	12.87	12.75	12.82	12.77
News Corp	7.21	7.14	7.17	7.24
North Ltd	3.71	3.62	3.64	3.73
Pacific Dunlop	3.33	3.30	3.32	3.30
Pioneer Intl	3.78	3.73	3.74	3.78
Placer Pacific	3.02	2.90	2.92	3.04
Santos	3.98	3.90	3.93	3.92
Southcorp	3.26	3.24	3.25	3.26
Wesfarmers	8.13	8.05	8.07	8.14
Wstrn Mining	8.33	8.15	8.16	8.30
Westfield Trt	2.48	2.47	2.48	2.48
Westpac Bkng	6.44	6.33	6.34	6.37
Woodside Pet	7.03	6.97	7	7
Woolworths	3.39	3.36	3.38	3.36

All Ordinaries index: 2265.80
Previous: 2279.30

Taipei

	High	Low	Close	Prev.
Asia Cement	41.70	41	41.70	41.50
Cathay Life Ins	117	114	117	114
Chang Hwa Bk	96.50	94.50	96	94.50
China Steel	20.40	19.70	20.30	19.70
Chiao Trust	39.90	38.80	39.90	39
Evergreen	42.60	41.10	42.50	41.10
Far East Text	23.50	23.10	23.50	23.20
First Bank	97.50	96	97.50	95.50
Formosa CF	22.80	22.30	22.70	22.10
Hua Nan Bk	82	80.50	82	80.50
Hualon Teijran	17.90	17.50	17.90	17.40
ICBC	70	68	70	68
President Ent	31	30	30.90	29.90
Taiwan Cmnt	35.80	35.10	35.70	35.10
Tatung	48.80	47	48.80	47.20

Stock Market index: 4803.80
Previous: 4682.30

Tokyo

	High	Low	Close	Prev.
Ajinomoto	1220	1200	1220	1210
All Nippon Air	1090	1070	1090	1070
Asahi Bank	1280	1270	1270	1280
Asahi Chem	787	778	785	789
Asahi Glass	1230	1210	1210	1220
Bank of Tokyo	1740	1710	1710	1730
Bk Yokohama	823	810	821	820
Bridgestone	1640	1620	1640	1640
Canon	2050	2010	2020	2010
Chiba Bank	903	895	897	895
Chubu Elec	2490	2470	2480	2480
Chugoku Elec	2420	2400	2420	2410
Daiei	1260	1250	1260	1240
Daiichi Kang	2010	1970	2000	1990
Daiwa Bank	800	785	795	784
Daiwa House	1690	1680	1680	1690
Daiwa Sec	1550	1530	1550	1540
Fanuc	4650	4590	4650	4580
Fuji Bank	2390	2350	2360	2340
Fuji Photo	3010	2960	2980	3030
Fujitsu	1140	1120	1140	1120
Hitachi	1060	1040	1060	1040
Honda Motor	2310	2280	2290	2280
IBJ	2950	2910	2920	2920
IHI	454	449	449	450
Itochu	720	709	717	718
Ito-Yokado	5990	5820	5920	5790
JAL	708	700	705	700
Jusco	2700	2650	2690	2670
Kajima	1110	1100	1100	1090
Kansai Elec	2520	2480	2480	2500
Kao	1340	1310	1320	1330
Kawa Steel	365	359	365	362
KDD	8250	8180	8240	8180
Kinki Nipp Ry	805	798	800	797
Kirin Brewery	1270	1240	1240	1240
Kobe Steel	320	313	317	320
Komatsu	904	888	894	896
Kubota	665	660	663	660
Kyocera	7600	7530	7530	7570
Kyushu Elec	2450	2430	2450	2430
LTCB	775	770	773	775
Marubeni	565	551	559	540
Marui	2130	2100	2100	2040
Matsu Elec Ind	1770	1740	1760	1740
Matsu Elec Wk	1150	1130	1140	1140
Mitsubishi	1300	1280	1290	1280
Mitsubishi Bk	2360	2320	2320	2350
Mitsubishi Ch	532	516	530	516
Mitsubishi El	763	755	758	763
Mitsubishi Est	1310	1280	1280	1300
Mitsubishi Hvy	841	830	831	838
Mitsubishi Mat	859	850	850	859
Mitsubishi Tr	1740	1700	1700	1760
Mitsui	938	931	933	937
Mitsui Fudosn	1280	1250	1270	1260
Mitsui Trust	1170	1140	1170	1170
Murata Mfg	3670	3610	3650	3670
NEC	1280	1270	1280	1270
New Oji Paper	982	973	979	973
Nikko Sec	1310	1280	1300	1290
Nintendo	7800	7750	7780	7770
Nipp Credit Bk	422	415	422	415
Nipp Express	1010	1000	1010	1010
Nippon Oil	612	601	608	599
Nippon Paper	758	746	746	746
Nippon Steel	361	356	360	357
Nippon Yusen	595	591	594	595
Nippondenso	2080	2050	2070	2070
Nissan Motor	837	829	836	830
NKK	297	290	297	291
Nomura Sec	2240	2210	2230	2200
NTT	8300a	8180a	8210a	8190a
Obayashi	856	846	853	845
Odakyu El Ry	719	703	718	709
Ono Pharm	3940	3880	3930	3890
Osaka Gas	382	378	382	380
Ricoh	1160	1140	1150	1140
Sakura Bk	1220	1200	1210	1220
Sankyo	2530	2500	2510	2530
Sanwa Bank	2050	2010	2010	2020
Sanyo Elec	633	622	625	630
Secom	6920	6860	6920	6880
Seibu Rwy	5150	5130	5140	5150
Sekisui House	1360	1330	1340	1340
Seven-Eleven	7340	7200	7300	7220
Sharp	1670	1650	1670	1660
Shimizu	1160	1090	1100	1100
Shin-etsu Ch	2180	2150	2170	2160
Shizuoka Bk	1290	1260	1280	1270
Sony	6450	6330	6430	6300
Sumitomo	1120	1100	1100	1100
Sumitomo Bk	2050	2030	2040	2030
Sumit Chem	524	515	516	516
Sumitomo Elec	1350	1330	1330	1330
Sumit Metal	341	332	337	333
Sumit Trust	1460	1420	1440	1470
Taisei	715	706	714	712
Taisho Pharm	2080	2050	2070	2050
Takeda Chem	1680	1640	1660	1660
TDK	5280	5210	5210	5200
Tohoku El Pwr	2510	2500	2500	2500
Tokai Bank	1410	1380	1400	1390
Tokio Marine	1340	1330	1330	1330
Tokyo El Pwr	2710	2690	2710	2710
Tokyo Gas	379	375	375	376
Tokyu	725	715	719	719
Tonen	1600	1570	1580	1600
Toppan Print	1440	1420	1430	1420
Toray Ind	687	674	682	683
Toshiba	832	820	828	833
Toyo Seikan	3410	3370	3370	3390
Toyo Trust	995	982	984	995
Toyota Motor	2300	2290	2300	2290
Yamaichi Sec	805	795	802	797
Yamanouchi	2320	2280	2320	2280
Yasuda Fire	779	771	771	771
Yasuda Trust	604	597	602	600

a: x 100
Nikkei 225 index: 20722.44
Previous: 20589.28

Toronto

	High	Low	Close	Prev.
Abitibi Price	22⅝	22	22⅝	21⅞
Air Canada	4.95	4.85	4.95	4.90
Alberta Energy	22⅜	22⅛	22¼	22⅛
Alcan Alum	44⅝	44	44⅜	44
Avenor A	24⅝	24⅜	24⅝	24⅜
Bk Nova Scotia	32¼	31¾	32	31¾
Barrick Gold	41½	40⅝	40⅞	41⅛
BCE	49⅜	49	49⅜	49⅛
BC Telecomm	26⅛	26	26⅛	25⅞
Bombardier B	19⅞	19⅝	20	19⅝
Brascan A	24⅜	24⅛	24⅜	24⅛
Cameco	69⅞	67⅞	68⅞	67⅝
CIBC	42⅜	42⅛	42⅛	42⅛
Cdn Airlines	2⅝	2.55	2.55	2.70
Cdn Natl Res	20⅜	20⅛	20⅜	20⅛
Cdn Occid Pet	44⅛	44⅛	44½	44⅛
Cdn Pacific	26½	26⅛	26⅜	26⅛
Cominco	27¾	27	27⅜	27
Consumers Gas	20⅜	19⅞	20⅛	19⅞
Dofasco	19⅝	19⅜	19½	19⅛
Domtar	10½	10⅛	10⅜	10¼
Du Pont Cda A	26	25⅝	25⅞	25⅞
Echo Bay Mns	18	17⅝	17⅞	17⅞
Empire Co. A	12½	12¼	12½	12½
Falconbridge	30⅛	29⅝	30⅛	29⅝
Fletcher Chall A	21	20⅝	20⅞	20⅝
Franco Nevada	86	85⅛	85¼	86
Guardian Cap A	9⅞	9⅛	9⅝	10
Hemlo Gold	17	16⅝	16⅝	16¾
Horsham	19	18⅝	19	19⅛
Imperial Oil	49⅝	48⅞	49⅜	49⅛
Inco	49⅛	47	49	47⅝
IPL Energy	33¾	33	33⅜	33½
Laidlaw A	14½	14⅜	14½	14⅜
Laidlaw B	14⅝	14⅛	14⅝	14⅛
Loewen Group	40	38⅞	39	40
Lfn Laser Gp	27	26½	26⅞	26⅝
Macmill Bld	18⅝	18	18⅜	17⅞
Magna Intl A	57⅞	57⅛	57⅜	57⅛
Maple Leaf Fds	6⅞	6⅞	6⅞	6⅞
Moore	27⅛	26⅞	27⅛	26⅞
Newbridge Net	70⅜	66⅞	69⅞	67
Noranda Inc	28⅛	28⅛	28⅛	28¼
Noranda Forest	9⅛	8⅞	9⅛	9
Norcen Energy	20⅛	19⅞	20⅛	19¾
Nthern Telecom	62⅜	61½	62	61
Nova	12⅝	11⅞	12⅜	11⅞
Onex	15	14⅝	15	14⅝
Placer Dome	39½	38⅞	38⅞	38⅞
Potash Sask	95⅝	93⅞	95	95⅞
Provigo	8	8	8	8⅛
Quebecor Print	24	23⅞	23⅞	24
Renaissance	34⅛	34⅛	34⅛	34⅛
Rio Algom	25	24⅞	25	24⅞
Seagram Co	50¼	50⅛	50⅛	50⅛
Stone Consold	19⅞	19	19⅛	19
Talisman Eny	29	28⅝	28⅞	28⅝
Teleglobe	19	18⅞	18⅞	19
Telus	16¼	16⅛	16¼	16⅛
Thomson	20⅝	20⅛	20⅝	20⅛
TorDom Bank	25⅛	25⅜	25⅝	25⅛
Transalta	15⅛	14⅞	15	15⅛
TransCda Pipe	19⅛	19⅛	19⅛	19⅛
Utd Dominion	32⅛	31⅛	32⅛	30½
Westburn	9½	9⅛	9½	9⅛
Westcoast Eny	21⅛	21⅛	21⅛	21⅞
Weston	48½	48⅛	48⅛	48½

TSE Industrials index: 4987.87
Previous: 4949.21

Vienna

	High	Low	Close	Prev.
Aust Airlines	1895	1895	1895	1895
Brau-Union Goess	557	550	553	555
Bank Aust Pfd	439	439	439	435
Creditanst PC	1640	1630	1640	1620
EA-Generali	3610	3496	3549	3471
EVN	1375	1366	1375	1377
Interunfall	1580	1580	1580	1590
Lenzing	910	893	897	900
Leykam	370	365	366	366
Mayr-Melnhof	525	516	520	519
OEMV	993	985	987	985
Oest Brau-Bet	522	515	519	519
Oest Elektriz	672	668	670	667
VA Tech	1375	1364	1364	1365
Wienerberger	2370	2350	2355	2330

ATX index: 1069.13
Previous: 1069.08

Wellington

	High	Low	Close	Prev.
Air N Zeald B	3.45	3.45	3.45	3.45
Brierley Invt	1.28	1.26	1.27	1.29
Carter Holt ord	3.11	3.06	3.06	3.08
Fernz	4.10	4.09	4.10	4.08
Fisher Paykel	4.64	4.60	4.60	4.65
Fletcher Chall	3.47	3.38	3.38	3.40
Fletcher For	2.06	2.05	2.06	2.05
Goodman Fdr	1.48	1.46	1.47	1.48
Indep News	5.00	4.95	5.00	5.00
Lion Nathan	3.50	3.48	3.49	3.53
Nat Gas corp	1.97	1.95	1.97	1.95
NZ Refining	24.00	24.00	24.00	24.00
Telecom NZ	6.34	6.30	6.34	6.25
Trust Bk NZ	2.01	1.99	2.00	2.02
Wilson Horton	9.00	9.00	9.00	9.00

NZSE-40 index: 2091.57
Previous: 2088.99

Zurich

	High	Low	Close	Prev.
Adia B	209	206	208	207
Alusuisse R	937	921	937	921
Ares-Serono B	862	850	850	865
Baer Hdg B	1230	1225	1230	1224
Baloise Hdg R	2420	2375	2410	2400
BBC B	1390	1370	1390	1367
Bk Vision	1500	1475	1500	1468
Bobst B	1900	1870	1890	1870
Ciba Geigy R	1018	1007	1018	1015
CS Holdings R	112	110.75	112	110.75
Elektrowatt B	422	417	421	420
Fischer B	1475	1450	1460	1450
Hilti PC	908	900	908	900
Holderbank B	870	855	858	870
Landis Gyr R	945	942	945	950
Merkur Hdg R	264	258	262	264
Nestle R	1262	1252	1262	1256
Oerlikon R	110	108	109	108
Pargesa Hld B	1470	1450	1470	1450
PharmVisn B	5980	5940	5980	5920
Pirelli B	136	128	136	131
Roche Hdg PC	8810	8695	8810	8695
Sandoz R	1054	1042	1050	1040
SBC B	428	423	428	425
Schindler B	1305	1290	1305	1295
SGS B	2335	2285	2335	2290
SMH B	700	690	697	695
Sulzer R	760	748	756	755
Swiss Reins R	1245	1200	1237	1195
Swissair R	986	960	985	970
UBS B	1271	1239	1271	1239
Winterthur R	767	756	767	759
Zurich Assur R	323	318	323	316

SPI index: 2115.26
Previous: 2092.71

هدايا من الأهل

Stake in Northwest Salvages KLM Profit

Compiled by Our Staff From Dispatches

AMSTELVEEN, Netherlands — KLM Royal Dutch Airlines NV said Tuesday its third-quarter net profit rose 23 percent, as income from its stake in Northwest Airlines Inc. of the United States helped counter a sharp decline in operating profit.

For the quarter ended in December, the Dutch airline earned 102 million guilders ($61.3 million), compared with 83 million guilders a year earlier.

But concern over a sharp drop in operating income sent the company's shares 6.5 percent lower. Operating income fell 71 percent, to 56 million guilders, because of slow growth of air-cargo markets and rising maintenance costs, KLM said. The airline also said the strength of the guilder relative to the dollar and fierce competition had hurt passenger operations.

KLM added that it had saved about 60 million guilders in the year-earlier third quarter because it did not have to make payments into its overfunded pension fund. Revenue in the latest period slipped 4 percent, to 2.35 billion guilders.

KLM stock fell 3.50 guilders, to a seven-month low of 50.40.

The contribution to KLM's earnings from Northwest Airlines totaled 89 million guilders. Reduced financial costs and tax payments also helped the bottom line.

Northwest had fourth-quarter earnings of $53.5 million, up from $35.9 million a year earlier. KLM wrote off its $400 million investment in Northwest in 1993 when its U.S. partner encountered financial difficulties. When Northwest's earnings began to recover last year, KLM decided to begin putting the value of its stake back into its books.

KLM said it expected a "clear increase" in fourth-quarter income as tax payments fell and contributions from its airline investments rose. The airline expects full-year earnings to increase by 10 percent.

Separately, a spokesman for Deutsche Lufthansa AG said 1995 parent-company pretax profit was more than 600 million Deutsche marks ($402.5 million), up from 580 million DM a year earlier.

The spokesman said the rise of the mark against the yen, the pound and the lire cost the company about 550 million DM in earnings.

(Bloomberg, AFX)

Poland Sets Tobacco Deal

Bloomberg Business News

WARSAW — Philip Morris Cos. said Tuesday it would pay $372 million to buy Poland's largest cigarette manufacturer and modernize its factory over the next three years.

The world's biggest cigarette maker will buy 65 percent of the state-owned Krakowskie Zaklady Przemyslu Tytoniowego SA, based in Krakow, a spokesman said.

The deal marks the third of five planned privatization sales of Polish tobacco companies. BAT Industries PLC of Britain and SEITA of France have struck deals in the past year.

Separately, the Ministry of Privatization said it expected to sign an agreement this week with Reemtsma Cigarettenfabriken GmbH of Germany for the sale of another cigarette maker, Wytwornia Wyrobow Tytoniowych SA, based in Poznan.

Property Batters Bouygues

French Building Firm Posts Huge 1995 Loss

Compiled by Our Staff From Dispatches

PARIS — Bouygues SA on Tuesday posted a 1995 loss of 4 billion francs ($779.7 million) and said its first full-year deficit ever was due to the weak French real-estate market.

Bouygues, France's largest construction company, said it had set aside 4.4 billion francs as one-time charges. In 1994, it earned 573 million francs. The company said profit before the one-time provisions was 420 million francs.

Of the charge, 3.2 billion francs reflected lower property values, and 1.2 billion francs represented start-up costs for its mobile telephone network, Bouygues Telecom.

"This is a complete surprise," Arnaud Palliez, an analyst at Deutsche Morgan Grenfell, said of the provisions. "We'll probably see the stock punished tomorrow."

Bouygues shares were suspended from trading Tuesday.

Martin Bouygues, chairman, said the company's property assets were "simply not compatible with the current market situation." He added, "We can not go ahead with peace in mind" without taking the provisions.

The company posted 1995 sales of 73.3 billion francs, up from 72.4 billion francs in 1994, and said it expected 1996 sales to be close to the 1995 figure.

The company also said it planned to recapitalize the Bouygues Immobilier unit to assure its financial independence.

"The steps we've taken to provision and restructure the real-estate unit will give this unit the means to return to profit," it said.

Other French companies, such as Banque Indosuez, Groupe des Assurances Nationales SA, and Compagnie Générale des Eaux, also have reported billions of francs of losses because of the depressed property market, and the situation is unlikely to improve soon. French housing and commercial-property builders see a steep slide in building activity through the first quarter of this year, extending a slide registered in the fourth quarter of 1995, the national statistics institute Insee said Tuesday.

Insee's quarterly construction survey said construction firms' order books and capacity use fell to record lows in January, with public-sector construction projects particularly affected as French companies now face the results of overinvestment in real estate during the boom years of the 1980s.

Bouygues said it planed to sell peripheral assets to raise 3 billion francs in 18 months.

Bouygues said it would maintain its net dividend at 17 francs a share, the same as in 1994.

(Bloomberg, Knight-Ridder)

Hidden Bond Losses Jar Paribas

Bloomberg Business News

PARIS — Banque Paribas SA said Tuesday it would take a charge of 250 million francs ($48.9 million) against its 1995 accounts because bond traders at its Madrid branch had concealed losses incurred in 1994.

Banque Paribas, a subsidiary of Compagnie Financière de Paribas SA, said it had suspended the two traders involved and was planning to fire them. It said of them had been head of bond trading at the Madrid branch, but it declined to disclose their names.

"We will write this off our 1995 accounts and don't expect further losses," said Lorie Lichtlen, a spokeswoman for Paribas in Paris. Shares of Compagnie Financière de Paribas rose 4.50 francs, to 264.80, in spite of the development.

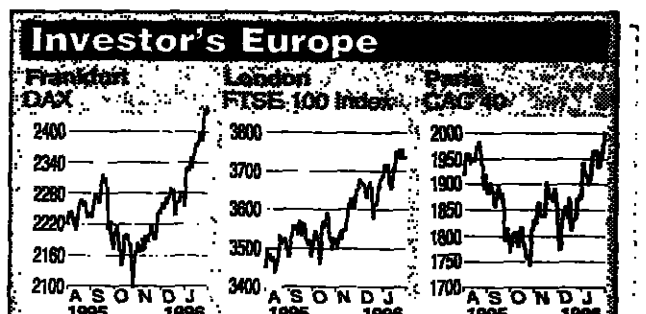
The spokeswoman said the cover-up was disclosed last weekend by the bank's internal inspection team. The two traders wrongly forecast the direction of Spanish government bond prices and concealed losses in 1994, Ms. Lichtlen said.

Alicia Fernández, a spokeswoman for Paribas's Madrid office, said the bank was considering legal action against the two people involved.

The 250 million franc charge is double the bank's first-half earnings. Banque Paribas's net income in the first six months of 1995 declined 77.5 percent, to 124 million francs.

A Bank of Spain spokesman said that because the Paribas operation in Madrid is a subsidiary of a bank in another European Union country, the Spanish central bank does not regularly inspect its operations. He said that under EU rules, the Bank of France is responsible for regulating Banque Paribas in Madrid.

Investor's Europe



Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	EOE	502.88	505.[illegible]	[illegible]
Brussels	Stock Exchange	[illegible]	8,782.45	[illegible]
Frankfurt	DAX	2,486.79	[illegible]	[illegible]
Copenhagen	Stock Market	387.19	387.46	-0.07
Helsinki	HEX General	1,739.91	1,718.30	+1.26
Oslo	OBX	408.84	410.82	[illegible]
London	FTSE 100	3,785.30	3,754.60	[illegible]
Madrid	Stock Exchange	327.85	325.61	[illegible]
Milan	MIBTEL	9,841.00	9,708.00	+1.37
Paris	CAC 40	2,003.13	1,980.58	[illegible]
Stockholm	SX 16	1,876.38	1,887.51	[illegible]
Vienna	ATX	[illegible]	1,069.09	[illegible]
Zurich	SPI	2,116.36	2,093.71	[illegible]

Source: Telekurs — International Herald Tribune

Very briefly:

- **Electrolux AB's** profit rose 11 percent, to a preliminary figure of 4 billion Swedish kronor ($571.3 million), in 1995, while sales rose 5 percent, to 108 billion kronor. The appliance maker said higher materials costs had hurt profit margins.
- **Valmet Oy** of Finland is ready for privatization, which would reduce the state's share of the company to less than 50 percent from 58.6 percent, said Matti Sundberg, Valmet's chief executive.
- **Tomkins PLC** will pay £768.2 million ($1.16 billion) for all the outstanding capital of the U.S. company **Gates Corp.**
- **Switzerland's** provisional seasonally adjusted trade surplus narrowed to 1.3 billion francs ($1.08 billion) in 1995, compared with a revised surplus of 3.22 billion francs a year earlier, the Federal Customs Office said, adding that sluggish overseas economic growth and the strength of the franc had slowed exports.
- **Thyssen AG** Chairman Heinz Kriwet said the company was considering selling off more businesses in an effort to become more profitable. Last year the company's U.S.-based **Budd Co.** unit sold its wheel-and-brake division.
- **Deutsche Bank AG** plans to increase its 1995 dividend to 1.80 Deutsche marks ($1.21) a share from 1.65 DM.
- **Sweden's** producer price index fell 0.8 percent in December from November, while the index rose 5.4 percent on a year-to-year basis.
- **French** industrial activity declined slightly in recent months because of drops in both semifinished goods and the auto sector, according to a monthly business survey carried out by the statistics office Insee in January.
- **OMV AG**, an Austrian chemicals and energy company, expects 1995 operating profit to more than double, to 2 billion schillings ($191.1 million) from 840 million schillings in 1994, as cost-cutting measures offset falling plastic prices.

AFX, Bloomberg, Reuters

Thyssen Sees Profitable but Tough Year

Reuters

DUSSELDORF — Thyssen AG said Tuesday that all its businesses were profitable in its first quarter, which ended Dec. 31, and indicated it would pay a dividend this year.

But Chairman Heinz Kriwet, who retires in March, said that although he still expected good results for the 1995-96 year, the economic environment had clearly worsened.

Profit at the industrial concern was stable in the first quarter, and sales in the period rose 7 percent, to 9.2 billion Deutsche marks ($6.2 billion), but orders, weakened by a downturn in the steel and engineering sectors, plunged 10 percent from year-earlier levels.

In the year ended Sept. 30, Thyssen said net profit soared to 775 million DM from 90 million DM the year before. Sales rose 12 percent, to 39.1 billion DM.

After omitting the dividend in the previous two financial years, Thyssen plans to pay a dividend of 10 DM a share on 1994-95 results and indicated it would maintain this payout level in the new business year.

"We would not have paid a 10 DM dividend if we did not have secure expectations of being able to pay the same amount this year," Mr. Kriwet said.

Thyssen shares initially rose on the upbeat outlook for 1996, but they ended down 3.60 DM, at 285.

Cariplo Parent's Chief Quits

Bloomberg Business News

MILAN — Roberto Mazzotta, chairman of the foundation that controls Cariplo SpA, Italy's No. 2 banking company, has resigned amid growing legal troubles.

Mr. Mazzotta is appealing his conviction on charges of allowing officials at the bank's pension funds to accept bribes. A Milan court sentenced him last month to four years of house arrest.

"A decapitated company certainly can not present itself well to the keen eye of the markets," Mr. Mazzotta wrote Monday to the foundation's executives in a letter that was published Tuesday in Il Sole/24 Ore.

The foundation plans to sell most of its stake in Cariplo, or Cassa di Risparmio delle Province Lombarde, in an initial stock offering in the second half of 1996.

AMEX

Tuesday's 4 p.m. Close

The top 300 most-active shares, up to the closing on Wall Street. *The Associated Press*

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	5324.13	5381.57	5304.62	5381.21	+76.23
Trans	1911.36	1912.32	1900.52	1909.57	+3.13
Util	229.46	229.60	228.69	228.97	–0.49
Comp	1715.72	1725.76	1710.83	1725.24	+14.35

Standard & Poors

	High	Low	Close	Chg.
Industrials	740.04	732.24	739.88	+7.64
Transp.	477.95	474.93	476.19	–0.55
Utilities	202.38	201.45	202.19	+0.23
Finance	63.80	63.04	63.77	+0.73
SP 500	630.29	624.22	630.15	+5.93
SP 100	604.98	598.99	604.82	+5.83

NYSE

	High	Low	Last	Chg.
Composite	337.32	334.28	337.28	+3.08
Industrials	423.81	419.42	423.78	+4.31
Transp.	302.06	300.30	301.66	+1.36
Utility	255.09	254.25	254.81	+0.43
Finance	282.53	279.58	282.52	+2.94

Nasdaq

	High	Low	Last	Chg.
Composite	1052.30	1046.39	1052.30	+7.79
Industrials	964.63	959.14	964.63	+9.19
Banks	1025.84	1022.12	1025.84	+5.37
Insurance	1289.69	1285.00	1289.69	+3.67
Finance	1231.41	1227.08	1231.41	+6.45
Transp.	776.47	772.74	775.31	–0.49

AMEX

High	Low	Last	Chg.
550.98	547.66	550.96	+3.30

Dow Jones Bond

	Close	Chg.
20 Bonds	105.74	–0.01
10 Utilities	102.31	–0.08
10 Industrials	109.18	+0.07

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Hanson	120482	16⅛	15⅝	15¾	—
GnMotr	79227	54⅝	53½	53⅞	+1⅛
WalMart	61235	20¼	19⅝	19⅞	–⅛
FedNM	48401	33⅞	32⅞	33⅝	+⅜
IBM	44969	109	106⅝	108⅞	+2⅛
WstgEl	39436	20⅛	19⅝	20⅛	+⅜
MicrnT s	38873	34½	33½	33⅞	+¼
FordM	38269	29¾	29¼	29¾	+⅜
Merck	37803	70¼	68⅞	70⅛	+1¼
BethStl	31434	15⅜	15	15⅜	+⅜
AbtLab	30802	42½	41⅛	42⅛	+2
GenElec	30241	75⅝	74⅞	75½	+⅝
ChmBnk	29155	67⅜	65⅞	66⅞	+⅜
Citicorp	27343	73⅜	71½	72⅞	+⅜
PharUpj n	26629	41⅛	39⅝	40⅞	+1⅜

Nasdaq

	Vol.	High	Low	Last	Chg.
MentGr	117377	12⅞	10⅞	12⅛	–2⅜
Rapind	92445	31⅛	30⅛	30⅜	–¼
MCI	73728	30⅛	29⅛	29⅛	—
Novell	57533	12⅞	12⅜	12½	—
AppleC	55485	28⅝	26¹⁵⁄₁₆	27¹⁄₁₆	–1⁹⁄₁₆
Intel s	53678	54⅝	53⅝	54⅝	–⅛
SunMic s	49880	47	45¼	45¹⁵⁄₁₆	+1⁷⁄₁₆
ApldMat s	41989	37⅞	35⅝	37⅞	+1⅜
Ascend s	41798	40⅝	37½	37⅞	–2⅜
Maxim s	39523	37¼	34¼	35¼	+⅜
Amgen s	36513	61¾	58⅞	61⁹⁄₁₆	+2⁷⁄₁₆
Cisco	35424	82⅝	81¼	82¼	+1⅛
BayNtwk s	35097	43⅛	41¾	42¼	+1⅜
DellCpt s	31398	28½	27⅛	27⅞	+⅛
Microsoft	28004	91¼	90⅝	90¹³⁄₁₆	+⁷⁄₁₆

AMEX

	Vol.	High	Low	Last	Chg.
XCL Ltd	43591	⅜	¼	¼	–⅛
Hasbro	34566	44⅛	43½	43⅞	+⅛
Han wtB	26440	⅟₃₂	⅟₃₂	⅛	—
Amdhl	17518	7¼	6⅞	7	–⅜
EchoBay	14767	13	12⅝	12⅞	+⅛
RoyalO g	13744	4½	4⅜	4⁷⁄₁₆	–¹⁄₁₆
US Biosci	9318	6⅞	6⁷⁄₁₆	6¹¹⁄₁₆	+¹¹⁄₁₆
PredLg	6316	11	9¼	10⅞	—
ViacB	5428	40⅝	40⅛	40⅝	+⅜
Identix	4967	14½	12⅞	14⅛	+1⅜

Trading Activity

NYSE

	Close	Prev.
Advanced	1676	1325
Declined	774	978
Unchanged	461	789
Total issues	3113	3084
New Highs	267	169
New Lows	19	13

AMEX

	Close	Prev.
Advanced	345	319
Declined	217	263
Unchanged	215	207
Total issues	777	789
New Highs	46	47
New Lows	12	12

Nasdaq

	Noon	Prev. Close
Advanced	1698	1836
Declined	1350	1717
Unchanged	2273	1768
Total issues	5321	5321
New Highs	123	190
New Lows	37	54

Market Sales

	Today Close	Prev. cons.
NYSE	464.33	445.81
Amex	27.74	26.53
Nasdaq	509.56	434.38

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
London Intl Grp	b	.0469	1-31	3-8
Van Eck Global A	_	.034	1-29	1-31
b: approx amount per ADR.				
STOCK SPLIT				
First Securty 3 for 2 split.				
Lindsay Mfg 3 for 2 split.				
STOCK				
Delaware Otsego	-	5%	2-17	3-20
Foothill Independ	-	10%	3-22	4-12
REVERSE STOCK SPLIT				
Ecogen Inc 1 for 5 reverse split.				
INCREASED				
Center Fincl	Q	.07	2-2	2-12
Massbank Corp	Q	.22	2-1	2-16
Oasis Residential	Q	.425	2-9	2-20
Poughkeepsie Svgs	Q	.025	2-15	3-7
Schult Homes	Q	.05	2-15	2-29
Utd SvBk Montana	Q	.215	2-12	2-26
INITIAL				
Athabasca Oil	g	.12	2-8	2-15
REGULAR				
Am Brands	Q	.50	2-14	3-1
Auto Data Process	Q	.10	3-15	4-1
Bancorp Hawaii	Q	.28	2-20	3-14
CMS Energy	Q	.24	2-8	2-22
CMS Energy G	Q	.28	2-8	2-22
Centrl Louisiana	Q	.375	2-5	2-15
FstFedCap Corp	Q	.14	2-15	3-7
F Fed SBk FDodge	c	.10	2-16	3-8
Franchise Fin	Q	.45	2-9	2-20
Genela Inc A	Q	.135	3-15	4-1
Indiana United	Q	.20	3-11	3-21
Iroquois Bncp	Q	.08	2-7	2-28
Jameson Inns	Q	.21	2-6	2-20
Nthn IN adjpf A	Q	.75	3-15	4-12
Reinsurance Grp	Q	.07	2-9	2-29
Smithfield Cos	Q	.05	2-9	2-29
Sonat Offshore	Q	.06	2-14	2-28
Sthn CA Water	Q	.305	2-12	3-18
Weltzer Homebld A	Q	.0812	2-8	2-15
Zweig ST GvSec A	M	.04	1-29	1-30
Zweig ST GvSec C	M	.034	1-29	1-30
c: subject to approval.				

a-annual; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 30, 1996

Grains

CORN (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	OpInt
Mar 96	3.68	3.62	3.67¾	+0.04	191,047
May 96	3.71¼	3.66	3.71½	+0.04¼	124,130
Jul 96	3.66½	3.61½	3.66¼	+0.04¼	89,824
Sep 96	3.14	3.09½	3.13¾	+0.03½	26,873
Dec 96	2.99	2.94½	2.98½	+0.02¾	56,277

Est. sales N.A. Mon's. sales 80,030
Mon's open int 473,391 up 811

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Close	Chge	OpInt
Mar 96	234.80	231.80	234.60	+1.50	41,912
May 96	237.70	234.50	237.50	-1.60	19,738
Jul 96	238.30	235.10	238.10	-1.80	17,865
Aug 96	237.50	234.20	237.50	-3.00	3,120
Sep 96	233.00	229.00	233.00	-3.60	2,500
Oct 96	223.50	222.80	223.00	-2.51	1,309

Est. sales N.A. Mon's. sales 15,906
Mon's open int 90,733 off 326

SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.

	High	Low	Close	Chge	OpInt
Mar 96	24.35	23.86	24.25	+0.38	42,189
May 96	24.72	24.22	24.57	+0.34	19,418
Jul 96	25.06	24.58	24.96	+0.38	14,107
Aug 96	25.18	24.76	25.11	+0.38	3,983
Sep 96	25.30	24.88	25.22	+0.32	2,038
Oct 96	25.40	25.05	25.35	+0.35	1,652

Est. sales N.A. Mon's. sales 11,259
Mon's open int 90,113 up 89

SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	OpInt
Mar 96	7.37	7.26	7.36½	-0.08½	82,594
May 96	7.44¼	7.34	7.44	+0.08¾	32,297
Jul 96	7.48	7.37¼	7.47½	+0.09¼	32,789
Aug 96	7.45	7.34½	7.44	+0.09	3,049
Sep 96	7.21	7.13	7.20½	+0.09¾	2,721

Est. sales N.A. Mon's. sales 39,832
Mon's open int 192,812 off 765

WHEAT (CBOT) 5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	OpInt
Mar 96	5.27½	5.15	5.26¼	+0.05¾	45,452
May 96	4.91	4.78½	4.89¾	+0.08¼	12,192
Jul 96	4.54½	4.42	4.53	+0.10¼	33,074
Sep 96	4.54	4.41½	4.53½	+0.10¾	6,514

Est. sales N.A. Mon's. sales 44,229
Mon's open int 100,460 off 851

Livestock

CATTLE (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Feb 96	64.05	63.22	63.27	–0.60	18,457
Apr 96	63.95	63.22	63.37	–0.43	28,455
Jun 96	61.55	61.00	61.02	–0.38	13,939
Aug 96	60.55	60.20	60.22	–0.13	6,841
Oct 96	61.77	61.32	61.35	–0.32	6,416
Dec 96	61.60	61.20	61.22	–0.38	3,159

Est. sales 14,371 Mon's. sales 22,241
Mon's open int 77,951 up 1917

FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Mar 96	56.97	56.35	56.37	–0.35	7,773
Apr 96	56.97	56.37	56.40	–0.20	3,193
May 96	57.60	57.05	57.05	–0.42	3,865
Aug 96	58.70	57.95	57.97	–0.73	3,873
Sep 96	58.50	57.90	58.00	–0.50	488
Oct 96	58.60	57.90	58.00	–0.55	580

Est. sales 2,360 Mon's. sales 4,503
Mon's open int 20,020 off 676

HOGS-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Feb 96	47.40	46.95	47.15	–0.15	6,862
Apr 96	45.20	44.67	44.90	–0.17	12,493
Jun 96	50.60	50.15	50.45		7,478
Jul 96	49.42	49.10	49.30	–0.02	2,416
Aug 96	47.95	47.50	47.87	+0.05	3,237
Oct 96	43.92	43.52	43.80	+0.10	1,769

Est. sales 6,079 Mon's. sales 8,496
Mon's open int 36,126 up 128

PORK BELLIES (CMER) 40,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Feb 96	57.50	56.75	57.15	–0.22	2,790
Mar 96	57.25	56.35	56.70	–0.27	1,867
May 96	57.40	56.67	56.80	–0.45	1,243
Jul 96	57.20	56.55	56.90	–0.25	945
Aug 96	54.40	53.55	53.85	–0.30	259

Est. sales 1,762 Mon's. sales 2,574
Mon's open int 7,104 off 79

Food

COCOA (NCSE) 10 metric tons- $ per ton

	High	Low	Close	Chge	OpInt
Mar 96	1259	1248	1249	–5	31,817
May 96	1282	1272	1274	–5	24,948
Jul 96	1303	1297	1296	–5	9,435
Sep 96	1324	1317	1318	–4	9,481
Dec 96	1355	1350	1350	–5	9,278

Est. sales 11,533 Mon's. sales 7,038
Mon's open int 93,198 off 398

COFFEE C (NCSE) 37,500 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Mar 96	123.00	119.00	119.55	–3.90	14,053
May 96	121.00	117.50	118.50	–3.15	7,960
Jul 96	119.50	116.50	117.50	–2.80	3,181
Sep 96	118.50	116.00	116.50	–2.45	1,728

Est. sales 10,941 Mon's. sales 13,080
Mon's open int 28,311 off 106

SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Mar 96	12.38	12.07	12.36	–0.12	62,799
May 96	11.45	11.27	11.44	–0.12	34,702
Jul 96	10.45	10.26	10.45	–0.01	21,391
Oct 96	10.17	10.05	10.16	+0.01	21,594

Est. sales 26,715 Mon's. sales 30,143
Mon's open int 155,782 up 2523

ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Mar 96	120.00	117.70	119.20	–0.70	14,762
May 96	120.80	118.10	119.70	+0.45	4,216
Jul 96	121.00	120.00	120.95	+0.45	1,379
Sep 96	123.00	120.00	121.40	–0.35	1,147

Est. sales N.A. Mon's. sales 2,927
Mon's open int 23,551 off 99

Metals

GOLD (NCMX) 100 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	OpInt
Feb 96	407.30	402.80	404.10	–1.70	25,052
Mar 96	404.20	404.20	405.40	–1.70	10
Apr 96	410.40	405.80	407.00	–1.80	101,499
Jun 96	412.30	407.80	409.00	–1.80	29,818
Aug 96	412.50	409.50	410.50	–1.90	10,247
Oct 96			412.00	–1.90	4,115
Dec 96	416.50	412.50	413.50	–2.00	12,837
Feb 97			415.00	–2.00	2,829

Est. sales N.A. Mon's. sales 92,774
Mon's open int 223,317 off 3239

HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Mar 96	116.40	113.10	115.45	+2.35	27,443
Apr 96	113.80	113.80	113.80	+2.00	1,052
May 96	113.60	110.90	112.88	+1.90	7,010
Jul 96	111.30	110.50	110.40	+1.10	2,993
Aug 96			109.60	+0.90	
Sep 96	109.70	108.90	108.65	+0.70	2,595
Oct 96			108.05	+0.60	380
Nov 96			107.40	+0.50	
Dec 96	108.00	107.20	106.90	+0.45	

Est. sales N.A. Mon's. sales 4,364
Mon's open int 50,274 off 623

SILVER (NCMX) 5,000 troy oz.- cents per troy oz.

	High	Low	Close	Chge	OpInt
Feb 96	555.0	555.0	553.9	+1.9	
Mar 96	561.0	553.0	556.2	+1.8	59,210
May 96	565.0	558.0	561.0	+1.8	15,246
Jul 96	570.5	561.0	565.1	+1.8	8,445
Sep 96	570.5	569.0	569.0	+1.8	9,628
Dec 96	579.0	572.5	575.0	+1.8	5,999
Jan 97			577.7	+1.8	
Mar 97			581.0	+1.8	

Est. sales N.A. Mon's. sales 11,839
Mon's open int 102,679 off 231

PLATINUM (NMER) 50 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	OpInt
Apr 96	424.50	421.00	422.60	+0.70	19,182
Jul 96	426.00	424.00	424.30	+0.70	3,053
Oct 96	428.00	426.00	426.00	+0.70	1,118
Jan 97			427.80	+0.70	

Est. sales N.A. Mon's. sales 5,348
Mon's open int 23,327 off 787

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1540.00	1542.00	1531½	1532½
Forward	1570.00	1572.00	1561.00	1562.00
Copper Cathodes (High Grade)				
Spot	2550.00	2553.00	2504.00	2506.00
Forward	2502.00	2503.00	2466.00	2467.00
Lead				
Spot	724.00	725.00	716½	717½
Forward	720.00	721.00	714.00	715.00
Nickel				
Spot	8185.00	8195.00	7970.00	7980.00
Forward	8295.00	8305.00	8080.00	8090.00
Tin				
Spot	6145.00	6155.00	6170.00	6180.00
Forward	6190.00	6200.00	6220.00	6225.00
Zinc (Special High Grade)				
Spot	1027.00	1028.00	1014.00	1015.00
Forward	1045.00	1046.00	1034.00	1035.00

Financial

US T. BILLS (CMER) $1 million- pts of 100 pct.

	High	Low	Close	Chge	OpInt
Mar 96	95.19	95.15	95.17	+0.03	9,118
Jun 96	95.50	95.42	95.49	+0.06	6,409
Sep 96			95.62	+0.04	776
Dec 96			95.57	+0.04	3

Est. sales N.A. Mon's. sales 640
Mon's open int 16,304 off 118

5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	OpInt
Mar 96	110-205	110-075	110-19	+ 105	142,671
Jun 96			110-125	+ 10	18,306
Sep 96			110-12	+ 10	3,862

Est. sales 30,000 Mon's. sales 26,929
Mon's open int 164,839 off 1189

10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Close	Chge	OpInt
Mar 96	114-21	114-01	114-17	+ 14	243,563
Jun 96	114-02	113-17	113-31	+ 14	30,371
Sep 96	114-01	113-25	114-01	+ 14	6,327

Est. sales 60,000 Mon's. sales 52,103
Mon's open int 280,261 up 158

US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)

	High	Low	Close	Chge	OpInt
Mar 96	120-28	119-26	120-22	+ 25	328,586
Jun 96	120-13	119-13	120-07	+ 25	32,781
Sep 96	119-27	119-05	119-23	+ 25	6,838
Dec 96			119-05	+ 25	1,556

Est. sales 295,000 Mon's. sales 245,857
Mon's open int 370,384 off 4539

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Close	Chge	OpInt
Mar96	110-31	110-12	110-28	+ 0-11	140,586
Jun96	109-29	109-29	110-05	+ 0-11	1,349

Est. sales: 62,028. Prev. sales: 52,473
Prev. open int.: 141,855 off 2,216

GERMAN GOVERNMENT BOND (LIFFE) DM250,000 - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar96	100.52	99.97	100.48	+ 0.42	240,068
Jun96	99.74	99.50	99.74	+ 0.42	10,636
Sep96	N.T.	N.T.	98.89	+ 0.42	6

Est. sales: 189,300. Prev. sales: 195,100
Prev. open int.: 250,710 up 1,070

10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar 96	122.90	122.28	122.80	+ 0.46	
Jun 96	123.34	122.76	123.30	+ 0.44	
Sep 96	122.18	121.56	122.10	+ 0.44	
Dec 97	121.10	121.10	120.94	+ 0.46	

Est. volume: 0. Open int.: 153,680

ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar96	112.08	110.63	111.95	+ 1.43	63,432
Jun96	111.50	110.50	111.49	+ 1.42	2,829

Est. sales: 57,538. Prev. sales: 48,355
Prev. open int.: 66,261 up 586

EURODOLLARS (CMER) $1 million-pts of 100 pct.

	High	Low	Close	Chge	OpInt
Feb 96	94.650	94.620	94.650	+50	19,924
Mar 96	94.730	94.660	94.720	+40	435,974
Apr 96	94.850	94.830	94.840	+40	4,500
Jun 96	95.090	95.010	95.070	+50	430,946
Sep 96	95.230	95.160	95.210	+50	303,479
Dec 96	95.200	95.110	95.180	+70	271,399
Mar 97	95.130	95.070	95.120	+70	186,944
Jun 97	94.990	94.920	94.980	+70	174,643

Est. sales N.A. Mon's. sales 304,691
Mon's open int 2,423,145 off 5289

BRITISH POUND (CMER) 62,500 pounds, $ per pound

	High	Low	Close	Chge	OpInt
Mar 96	1.5088	1.5000	1.5042	+6	50,856
Jun 96	1.5020	1.4980	1.5014	+6	262
Sep 96			1.4982	+6	5
Dec 96			1.4948	+6	30

Est. sales N.A. Mon's. sales 4,569
Mon's open int 51,153 up 913

CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Can. dlr

	High	Low	Close	Chge	OpInt
Mar 96	.7267	.7247	.7262	+10	37,889
Jun 96	.7269	.7254	.7262	+11	2,481
Sep 96	.7262	.7250	.7258	+13	655
Dec 96	.7259	.7245	.7251	+13	1,122

Est. sales N.A. Mon's. sales 5,027
Mon's open int 42,324 up 318

GERMAN MARK (CMER) 125,000 marks, $ per mark

	High	Low	Close	Chge	OpInt
Mar 96	.6778	.6721	.6733	–23	83,039
Jun 96	.6799	.6756	.6766	–23	3,573
Sep 96	.6788	.6788	.6796	–23	1,374
Dec 96			.6823	–23	78

Est. sales N.A. Mon's. sales 22,879
Mon's open int 88,064 off 683

JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen

	High	Low	Close	Chge	OpInt
Mar 96	.009440	.009372	.009387	–39	76,889
Jun 96	.009509	.009484	.009497	–41	4,191
Sep 96			.009598	–43	732

Est. sales N.A. Mon's. sales 10,167
Mon's open int 81,974 up 1037

SWISS FRANC (CMER) 125,000 francs, $ per franc

	High	Low	Close	Chge	OpInt
Mar 96	.8346	.8246	.8262	–59	43,027
Jun 96	.8369	.8319	.8331	–59	1,358
Sep 96			.8392	–58	103

Est. sales N.A. Mon's. sales 13,922
Mon's open int 44,877 off 144

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar96	93.91	93.86	93.91	+ 0.05	87,615
Jun96	94.13	94.08	94.12	+ 0.04	76,766
Sep96	94.14	94.09	94.13	+ 0.04	65,533
Dec96	93.96	93.91	93.95	+ 0.04	43,891
Mar97	93.70	93.64	93.69	+ 0.04	31,747
Jun97	93.44	93.39	93.43	+ 0.04	32,798
Sep97	93.20	93.15	93.20	+ 0.04	20,644
Dec97	92.97	92.93	92.98	+ 0.04	14,869
Mar98	92.80	92.77	92.79	+ 0.04	7,109
Jun98	92.64	92.62	92.64	+ 0.04	4,880
Sep98	92.53	92.49	92.52	+ 0.04	3,741
Dec98	92.43	92.40	92.42	+ 0.04	2,644

Est. sales: 48,524. Prev. sales: 36,085
Prev. open int.: 392,237 off 1,424

3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar96	96.75	96.69	96.74	+ 0.06	173,599
Jun96	96.85	96.77	96.84	+ 0.08	176,884
Sep96	96.79	96.69	96.78	+ 0.10	161,534
Dec96	96.60	96.50	96.59	+ 0.11	150,466
Mar97	96.33	96.24	96.33	+ 0.11	130,800
Jun97	96.04	95.94	96.04	+ 0.11	118,292
Sep97	95.72	95.60	95.71	+ 0.12	78,798
Dec97	95.37	95.25	95.36	+ 0.12	53,096
Mar98	95.06	94.96	95.06	+ 0.12	30,479
Jun98	94.78	94.66	94.77	+ 0.11	26,366
Sep98	94.54	94.41	94.51	+ 0.11	16,005
Dec98	94.26	94.14	94.24	+ 0.12	8,207

Est. sales: 160,957. Prev. sales: 192,830
Prev. open int.: 1,123,926 off 9,217

3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar 96	95.44	95.23	95.43	+ 0.20	
Jun 96	95.65	95.51	95.65	+ 0.14	
Sep 96	95.70	95.56	95.69	+ 0.09	
Dec 96	95.59	95.51	95.59	+ 0.10	
Mar 97	95.42	95.34	95.42	+ 0.10	
Jun 97	95.20	95.11	95.20	+ 0.11	
Sep 97	95.00	94.90	94.99	+ 0.11	
Dec 97	94.77	94.70	94.77	+ 0.09	

Est. volume: 0. Open int.: 198,729

3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct

	High	Low	Close	Chge	OpInt
Mar96	90.44	90.30	90.44	+ 0.14	48,089
Jun96	90.96	90.81	90.96	+ 0.15	28,679
Sep96	91.25	91.11	91.26	+ 0.15	16,967
Dec96	91.35	91.22	91.35	+ 0.13	9,590
Mar97	91.35	91.25	91.35	+ 0.12	4,822
Jun97	91.26	91.23	91.33	+ 0.13	2,241

Est. sales: 18,123. Prev. sales: 14,577
Prev. open int.: 110,381 off 2,507

Industrials

COTTON 2 (NCTN) 50,000 lbs.- cents per lb.

	High	Low	Close	Chge	OpInt
Mar 96	87.90	86.85	87.08	–0.97	21,538
May 96	87.99	87.10	87.30	–0.95	14,563
Jul 96	87.50	86.70	86.83	–0.76	8,592
Oct 96	80.40	79.95	80.00	–0.95	1,933
Dec 96	78.25	77.70	77.70	–0.68	12,175
Mar 97	79.00	79.00	78.45	–0.60	

Est. sales N.A. Mon's. sales 15,732
Mon's open int 61,672 up 2190

HEATING OIL (NMER) 42,000 gal- cents per gal

	High	Low	Close	Chge	OpInt
Feb 96	52.40	50.80	52.15	+1.02	16,497
Mar 96	51.20	50.00	51.80	+0.86	34,409
Apr 96	49.00	48.20	48.80	+0.53	15,142
May 96	47.15	46.65	47.18	+0.41	8,956
Jun 96	46.50	46.10	46.50	+0.36	10,976
Jul 96	46.50	46.10	46.50	+0.28	6,277
Aug 96	47.10	46.70	47.00	+0.31	4,888
Sep 96	48.00	47.55	47.90	+0.53	2,598
Oct 96	48.70	48.30	48.50	+0.41	2,156
Nov 96	49.40	49.40	49.25	+0.46	2,121

Est. sales 46,252 Mon's. sales 50,652
Mon's open int 112,289 off 1158

LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.

	High	Low	Close	Chge	OpInt
Mar 96	17.70	17.28	17.54	+0.09	84,475
Apr 96	17.33	17.02	17.22	+0.06	52,306
May 96	17.18	17.00	17.10	+0.06	37,266
Jun 96	17.10	16.96	17.00	+0.03	35,160
Jul 96	17.02	16.91	17.08	+0.09	31,819
Aug 96	16.95	16.90	16.93	+0.05	17,380
Sep 96	16.92	16.86	16.92	+0.06	14,438
Oct 96	16.90	16.85	16.98	+0.06	11,907
Nov 96	16.88	16.85	16.88	+0.06	13,119
Dec 96	16.87	16.80	16.87	+0.07	25,536
Jan 97	16.86	16.85	16.86	+0.06	12,871
Dec 97	17.09	16.98	17.04	+0.09	13,230
Dec 98	17.45	17.45	17.45	+0.16	

Est. sales 83,151 Mon's. sales 113,921
Mon's open int 397,306 up 2766

NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu

	High	Low	Close	Chge	OpInt
Mar 96	2.560	2.340	2.490	+153	27,238
Apr 96	2.130	2.045	2.100	+64	14,153
May 96	2.000	1.960	1.985	+39	14,985
Jun 96	1.915	1.890	1.905	+21	11,056
Jul 96	1.880	1.860	1.875	+19	8,807
Aug 96	1.865	1.850	1.860	+11	8,427
Sep 96	1.860	1.845	1.855	+11	6,759
Oct 96	1.882	1.870	1.875	–3	6,481
Nov 96	1.960	1.950	1.956	–5	4,237
Dec 96	2.055	2.045	2.045	–13	7,647
Jan 97	2.070	2.060	2.060	–12	2,986

Est. sales 40,778 Mon's. sales 27,181
Mon's open int 135,333 up 797

UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal

	High	Low	Close	Chge	OpInt
Feb 96	53.45	52.80	53.37	+0.97	10,497
Mar 96	52.60	51.80	52.41	+0.48	22,821
Apr 96	54.70	54.05	54.56	+0.31	13,793
May 96	54.50	53.90	54.16	+0.26	7,498
Jun 96	54.05	53.70	53.66	+0.26	4,473
Jul 96	53.35	53.10	52.96	+0.26	3,519

Est. sales 24,953 Mon's. sales 27,437
Mon's open int 65,714 up 133

GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons

	High	Low	Close	Chge	OpInt
Feb 96	156.75	155.25	155.75	+ 0.50	27,607
Mar 96	152.00	150.75	151.50	+ 1.75	19,047
Apr 96	148.75	147.00	148.00	+ 1.50	9,768
May 96	146.50	145.25	146.00	+ 1.75	4,780
Jun 96	146.00	144.25	145.75	+ 2.00	5,931
July 96	N.T.	N.T.	145.75	+ 2.00	4,087
Aug 96	147.25	147.25	147.00	+ 2.00	1,758
Sep 96	148.50	148.50	148.50	+ 1.50	858
Oct 96	150.25	149.75	150.00	+ 1.00	516

Est. sales: 12,547. Open int.: 78,276 up 4,438

BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels

	High	Low	Close	Chge	OpInt
Mar 96	16.47	16.20	16.37	– 0.15	65,945
Apr 96	16.11	15.89	16.01	– 0.10	35,815
May 96	15.92	15.73	15.83	– 0.03	19,079
June 96	15.83	15.63	15.73	+ 0.01	17,718
July 96	15.73	15.56	15.64	– 0.01	8,886
Aug 96	15.66	15.55	15.58	– 0.02	4,528
Sep 96	16.78	15.50	15.55	– 0.01	8,761
Oct 96	15.57	15.51	15.53	Unch.	1,409
Nov 96	15.59	15.57	15.52	+ 0.01	1,686
Dec 96	15.62	15.48	15.51	+ 0.02	4,240
Jan 97	15.53	15.45	15.50	+ 0.02	9,309
Feb 97	15.49	15.44	15.49	+ 0.02	702

Est. sales: 40,211. Open int.: 177,198 up 1,158

Stock Indexes

S&P COMP. INDEX (CMER) 500 x index

	High	Low	Close	Chge	OpInt
Mar 96	632.70	625.95	632.70	+6.50	187,548
Jun 96	638.15	632.30	637.95	+6.15	7,455
Sep 96	642.30	638.00	638.05	+1.75	3,049

Est. sales N.A. Mon's. sales 60,000
Mon's open int 198,568 off 322

FTSE 100 (LIFFE) £25 per index point

	High	Low	Close	Chge	OpInt
Mar96	3759.0	3720.0	3751.0	+ 3.0	64,421
Jun96	3754.5	3751.5	3753.5	+ 3.0	1,186

Est. sales: 14,864. Prev. sales: 8,543
Prev. open int.: 67,807 off 76

CAC 40 (MATIF) FF200 per index point

	High	Low	Close	Chge	OpInt
Jan 96	2004.0	1974.0	2003.0	+ 23.0	
Feb 96	2014.0	1982.5	2011.5	+ 24.0	
Mar 96	2020.0	1991.0	2018.5	+ 22.5	
Jun 96	1993.0	1972.0	1997.0	+ 22.0	
Sep 96	2006.0	1987.0	2006.0	+ 22.5	

Est. volume: 0. Open int.: 46,455

Commodity Indexes

	Close	Previous
Moody's	1,470.60	1,460.40
Reuters	2,179.50	2,161.70
D.J. Futures	151.78	150.61
CRB	245.45	244.66

NYSE

Tuesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

On March 23rd, the IHT will publish a Sponsored Section on

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This section precedes the annual meeting of the Inter-American Development Bank in Buenos Aires on March 25-27.

For further information, please contact Bill Mahder in Paris at (33 -1) 41 43 93 78 or fax (33 - 1) 41 43 92 13.

International Herald Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
THE WORLD'S DAILY NEWSPAPER

Continued on Page 16

Production Growth Slows, Stirring Fear Of a Korean Slump

Reuters

SEOUL — South Korea reported its lowest production growth in 22 months Tuesday, fueling recession fears.

The National Statistical Office said December industrial output rose 6.9 percent from December 1994, down sharply from 12.1 percent growth posted a year earlier and November's 7.9 percent gain.

Production growth has now fallen for five months. The December rate was the lowest since the 1.6 percent growth of February 1994.

Analysts expressed concern over drops in domestic machinery orders and permits for machinery imports, important indicators for private capital investments.

Domestic machinery orders dropped 11.4 percent, and permits for machinery imports fell 4.2 percent.

Analysts said they remained optimistic that the economy could slow down from the rapid growth rates of the past several years without entering a recession. But they said there were variables that could lead to a disastrous situation for the South Korean economy.

"The pace of slowdown is in line with our earlier projections," said Hahn Jin Soo of Daewoo Research Institute. "But worries are growing; the economy faces possibilities of a hard landing this year."

Analysts said the economy was being pressured by a sharp appreciation of the won and price increases in the run-up to parliamentary elections due in April.

"I see the won's course as the biggest variable," said Lee Youn Ho, president of LG Economic Research Institute. "If the pace of appreciation is in line with our expectations, a soft landing will be easily achieved."

Mr. Lee said he expected the won to gain strength.

In other economic data, unemployment fell to a seasonally adjusted 1.9 percent in December from 2.2 percent a year earlier.

But while production of heavy industrial and chemical goods rose 10.1 percent, production of light industrial goods fell 3.9 percent.

■ Shipbuilder Defends Growth

South Korea's shipyard expansion is essential for survival in a fiercely competitive market, the president of Halla Engineering & Heavy Industries Ltd. said.

"Korea has no choice but to expand capacity to survive," said Choi Byung Kwon.

European shipbuilders say South Korea is creating a market glut.

"It's too simple a theory to say increasing capacity will make the industry too risky," Mr. Choi said.

Halla's huge new shipyard in Mokpo has opened just in time, Mr. Choi said, raising South Korean shipbuilding capacity by 4 million gross tons, to 9 million tons.

"Tankers built in the past shipbuilding boom around 1984 have become obsolete and must be replaced," he said. "I expect a surge of new tanker demand of about 30 million gross tons a year over the next three years."

A New Footing for Japan?

Auto Exports Skid

Compiled by Our Staff From Dispatches

TOKYO — Japanese vehicle exports fell for the 10th consecutive year in 1995, the Japan Automobile Manufacturers Association reported Tuesday, hitting their lowest level in nearly two decades as automakers stepped up overseas production.

Exports in 1995 fell 15 percent from 1994, to 3.8 million units, the first time they had dropped below 4 million since 1976 and 58 percent of the 1985 peak of 6.5 million.

Passenger car exports fell 14 percent, to 2.9 million, their fifth successive drop. Truck exports fell 17 percent, to 849,827, the 10th successive decline.

"The drop in 1995 was bigger than expected," an association official said.

"The downtrend in Japan's vehicle exports will not change," he added, "because Japanese carmakers will not stop increasing overseas production even if the yen's value weakens, as they have been building a structure which will not be affected by the fluctuation of foreign-exchange rates."

The shift abroad, exemplified by long-range plans to build factories in foreign markets, reflects carmakers' attempts to cut production costs, evade the effects of a strong yen and ease friction with major trading partners over Japan's large trade surplus.

Exports by Toyota Motor Corp., Japan's top carmaker, fell 20 percent from a year earlier, to 1.2 million units, the fourth straight year of decline. Toyota's export forecast for 1996 is at that same level, with overseas production rising 10 percent, to nearly 1.4 million.

Nissan Motor Corp.'s exports fell 1.8 percent, to 598,072. The country's No. 2 carmaker forecast exports of 580,000 in 1996, with overseas output of 1.1 million, up 2.3 percent, mainly due to higher output at its Mexican unit and in Asian countries.

"We believe that products sold abroad should be made there as well," said Aki Sato, a representative for Honda Motor Co., the only Japanese automaker that produces more autos outside Japan than within.

Exports to the United States, Japan's biggest auto market, fell 25 percent last year, to 1.23 million vehicles. Shipments to the European Union fell 13 percent, to 792,058, while exports to Asia rose 3.6 percent, to 615,997, the association said.

(Reuters, Bloomberg)

Its PC Firms Hang On

By Andrew Pollack
New York Times Service

TOKYO — American personal computer manufacturers stopped gaining market share in Japan in 1995, having unleashed ferocious price competition from their Japanese competitors.

NEC Corp. of Japan kept its No.1 position, and vaulting to second place was Fujitsu Ltd., which more than tripled its shipments of personal computers in 1995, to 1,050,000, and doubled its market share, to 18.3 percent, the market research firm Dataquest Inc. reported this week.

Apple Computer Inc., which was the second-largest vendor in the market in 1994, dropped to third place in 1995, its market share falling to 14.2 percent from 15.4 percent. International Business Machines Corp. dropped to fourth from third, with its market share holding steady at 10.1 percent.

Toshiba Ltd. was fifth, and Compaq Computer Corp. came in sixth. While Compaq rose from seventh place in 1994, its market share climbed only a tad, to 3.8 percent from 3.7 percent.

Until a couple of years ago, the Japanese personal computer market was a backwater. Prices were high, technological advance was slow, and personal computers were not catching on as they were in the United States and Europe. Each vendor had an original design, fragmenting the market.

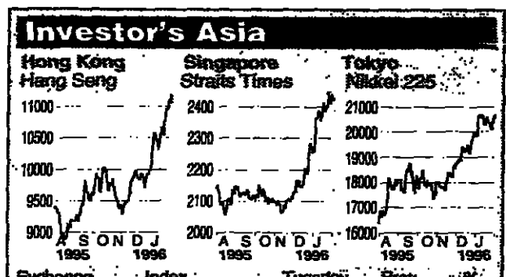
But in the last couple of years, the second-largest PC market in the world has undergone a vast transformation. All vendors except NEC and Apple have coalesced around the so-called IBM-compatible standard, prices have plummeted, and sales have soared.

Dataquest Inc., based in San Jose, California, said PC shipments rocketed 71 percent last year, to 5.7 million machines. In monetary terms, the market grew 46 percent, to 1.3 trillion yen ($12.16 billion).

The event that caused the change was the 1992 entry of Compaq with machines selling for half the price of equivalent Japanese models. Dell Computer Corp. followed quickly, with similarly aggressive pricing.

But that shock awoke Japan's giants, who trimmed down and slashed prices. Most aggressive was Fujitsu, which could afford the competition because of its big profit from computer memory chips.

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	11,201.60	11,059.00	+1.29
Singapore	Straits Times	2,423.68	2,424.07	-0.02
Sydney	All Ordinaries	2,265.80	2,279.30	-0.59
Tokyo	Nikkei 225	20,722.44	20,589.20	+0.65
Kuala Lumpur	Composite	1,052.89	1,041.26	+1.12
Bangkok	SET	1,593.34	1,570.45	+1.23
Seoul	Composite Index	676.46	673.15	+0.26
Taipei	Stock Market Index	4,803.60	4,692.30	+2.38
Manila	PSE	2,868.38	2,868.58	-0.03
Jakarta	Composite Index	569.17	568.71	+0.81
Wellington	NZSE-40	2,081.57	2,068.99	+0.12
Bombay	Sensitive Index	2,909.32	2,872.18	+1.31

Source: Telekurs International Herald Tribune

Very briefly:

• **Texas Instruments Inc.** will delay a decision whether to increase its stake in a 26 percent-owned semiconductor chip venture with **Acer Inc.**, a Taiwan computer maker, until the end of April.

• **Leaf**, a confectionery unit of **Huhtamaeki Oy** of Finland, signed a preliminary contract to establish a 50-50 joint venture in India with **Parrys Confectionery Ltd.**

• **The International Monetary Fund** praised India for ambitious economic reforms but warned that much more needed to be done to spur growth and alleviate poverty.

• **Cebu Air Pacific** of the Philippines, which is 49 percent owned by **JG Summit Holdings Inc.**, plans to begin domestic operations in two months. Air Philippines Inc. announced Monday it would start domestic operations next month.

• **Daewoo Heavy Industries Co.** won a $64 million contract to build two container ships from **Conti Rederei Co.** of Germany.

• **General Motors Corp.'s Adam Opel AG** subsidiary is expected to be named as partner in a project to produce 100,000 passenger cars a year in the southern Chinese city of Guangzhou, the Hong Kong Economic Times reported.

• **Asia Link Advertising Corp.**, a group of 14 Asian advertising agencies that banded together last year to counter the strength of multinationals, said they would start their own network in Europe and the United States to win a bigger slice of the market.

• **China's** imports of technology and equipment totaled $13.03 billion in 1995, up 218 percent from 1994, partly because of increased government funding for technology purchases.

• **South Korea's** industrial output grew 6.9 percent in December from a year earlier, reflecting a slowdown in industry and exports.

AP, Bloomberg, Reuters

Yaohan to Open in Shanghai

Reuters

SHANGHAI — Yaohan International Holding Ltd. of Japan on Wednesday will open a department store in Shanghai that will be one of the biggest in Asia.

Kazuo Wada, the company's chairman, will preside over the opening, a spokesman said. Yaohan says it plans to open 1,000 stores in China, mainly along the Yangtze river, by 2010. Mr. Wada has said he hopes that by then, Yaohan's income from China will equal its income from Japan and the other countries where it does business.

The Shanghai store, called Next Age Shanghai, has an area of 108,000 square meters (1.2 million square feet) on 10 floors, complete with shops, two floors of restaurants and a game center. Investment in the project totaled $200 million.

Standard Chartered Sells Brokerage

Compiled by Our Staff From Dispatches

HONG KONG — Standard Chartered PLC said Tuesday it was selling most of its unprofitable securities unit to Nava Finance & Securities PLC.

Nava, Thailand's fifth-largest securities firm, will acquire substantially all of Standard Chartered's stockbroking activities, which are carried out by Standard Chartered Securities Asia Ltd. and its subsidiaries in China, Hong Kong, Indonesia, Malaysia, Thailand, Britain and the United States, the company said.

Standard Chartered said it would retain a 10 percent stake in the company, while Nava would hold 80 percent. The state-owned Thai Military Bank PLC will hold the remaining 10 percent.

Neither Nava nor Standard Chartered would give financial details of the provisional contract, but a spokesman for the London-based seller said the price was at a "modest discount to net asset value."

Thai newspapers had reported that Nava would buy a controlling stake in Standard Chartered Securities for at least 80 million Hong Kong dollars ($10.3 million).

Standard Chartered has dismissed recent reports in the British media that it was the subject of takeover speculation. *(AFX, Bloomberg, Reuters, AFP)*

GEORGE: *New Magazine Starts to Catch On*

Continued from Page 11

"George looks like the rest of their publications, and it needn't have. They might have developed their own graphic equivalent."

Hachette executives, so far, are pleased.

"If everything is going the way it goes now, we are looking to break even in year three," David Pecker, president and chief executive of Hachette, said. "Usually it's five years-plus."

George is scheduled to become a monthly in August, well ahead of the original plan, which called for monthly publication in 1997. Started as a newsstand-only magazine, the first issue sold 97 percent of 550,000 newsstand copies, and the second issue sold 78 percent of 600,000 copies.

In comparison, Mr. Pecker said, the average newsstand sale for Hachette's 27 magazines is 44 percent of the copies published.

Until last week, George, which has a cover price of $2.95, had not done a direct mail solicitation. Nonetheless, 97,000 people subscribed by sending in the cards inserted into the magazine. The initial projection was 7,500 subscriptions from these cards after two issues, Mr. Berman said.

The magazine's cost of acquiring subscribers has been $1 a reader, he said. The Magazine Publishers of America says the average cost per reader solicited by direct mail is about $18.

Steve Klein, managing partner and director of media at Kirshenbaum & Bond, an ad agency, said that if George could deliver readers in the 20-to-40 age group, "then that's a gold mine" for advertisers. "But who is really reading it?" he asked. "Is it the 20-to-40-year-old set or the 35-to-55?"

Mr. Berman said the average George reader was 36 and had a median household income of $65,000.

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Amsterdam, January 29, 1996

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South Africa's 'Shoes' Against Ghana's Pele

An Unknown Faces the Big Name

By Rob Hughes
International Herald Tribune

SOUTH AFRICAN soccer comes of age in Johannesburg on Wednesday night. If Bafana Bafana, The Boys, of South Africa beat Ghana in the semifinal they should then be capable of beating Zambia or Tunisia on Saturday in the African Nations' Cup final.

Even if Ghana asserts its skills — the best in this tournament — South Africa has still played beyond expectation.

It has no soccer past to boast of. It has never enjoyed the facilities, the status or the privileges that enabled rugby and cricket to return in triumph to international competition soon after apartheid was abolished.

The difference is black and white. Soccer, *the* popular South African recreation, is a township game rooted in wasteland, a far cry from the Afrikaner stadiums built for the oval ball.

That is why this Cup of Nations can draw a crowd in Soccer City, the 78,000-capacity stadium outside Soweto where Nelson Mandela came out to freedom. But the matches have also drawn pitiful crowds in Bloemfontein, Port Elizabeth and Durban.

There, in rugby strongholds, few whites reciprocate the joy with which black sports followers, when they could afford it, cheered last year's rugby World Cup.

The habits of racists die hard, but the loss is theirs. They could have experienced the emotional extremes of a sport so popular across their continent that 400 Africans now earn star wages with European clubs.

They could have seen the effervescent, old-fashioned approach of Gabon, a team almost untouched by coaching sets out to attack with such appealing naiveté.

Gabon reached the quarterfinals and went out unbeaten. Its players ran themselves into the ground, expended energy without a plan. They hunted the ball, toyed with it. They overindulged, bringing the ball down on the chest, dropping it onto the heel or thigh, blazing it wildly off target.

They thrilled us but were bored to a standstill by Tunisia; drawn into extra time by players whose caution had the same effect as a sleeping pill. Tunisia, drilled to deprive the game of adventure by Henri Kasperczak, a Polish coach, achieved the objective. The team won on penalties.

Tunisia's captain and its goalie, Chokri El Ouaer, organized the boredom and took the liberty of hitting the final penalty kick. He even made that look sleepy. He will be wakened Wednesday in Durban by Zambians whose tally is three goals per game at this tournament. Kalusha Bwalya, the Zambian leader, and Pele — Abedi Pele Ayew, the captain of Ghana — exude pride and desire.

On Wednesday, Pele will bring his young team up from sea level to an altitude of 1,800 meters (5,900 feet) where South Africa, acclimatized, rested and ready, enjoys the advantage afforded the host.

ONE OR TWO biased penalty awards and a great deal of tenacious motivation by the home coach, Clive Barker, a man who has trained boxers, have buoyed South Africa. But do not underestimate them: Bafana Bafana have caught the wind of change, the thirst for victory, in their country.

They run until the opposition drops. They thrive on the high expectation of the only appreciable crowds of the event. Fate has challenged their will power, for on Wednesday Pele plays with Tony Yeboah and the Anderlecht striker Yaw Preako in a formidable attack.

South Africa, alas, loses the determined attacker Phil Masinga, a clubmate of Yeboah's at Leeds United. Masinga is suspended because of two yellow cards.

Fortunately, a man Sowetans call "Shoes" might rescue the cause.

John Moshoeu, born and bred in Johannesburg's largest township, scored in the opening match and scored again in the quarterfinal just as it seemed Algeria might frustrate Bafana Bafana.

His goal typified his approach. A midfielder of svelte touch and stealthy movement, he suddenly appeared in the Algerian penalty box, suddenly and emphatically won the contest with a right foot shot of power, perception and precision.

South Africa's soccer example of integration, beginning with President Mandela's linking of arms with Neil Tovey, the captain and a white, still holds. The first goal against Algeria was the product of a spirited, brave surge out of defense by Mark Fish, a white man who converted to soccer after playing rugby in Pretoria.

The second, as I said, was by Shoes. At 29, Moshoeu is a triumph of perseverance. As an unassertive youth, he was turned away by Kaizer Chiefs, the great hope of any Soweto boy. Eventually he came through at Highlands Park. Kaizer Chiefs bought him — at last — but discarded him a short while later. He had to go to Turkey. There he played for two clubs, Genclerbirligi and Kocaelispor, and built up his game and his confidence until he caught the national coach's eye.

More than 15 years ago, Phil Venter, a fullback, joined Soweto's Orlando Pirates. He had two faults — he was the least gifted player in the team and he was the only white.

"*Hulle om uit, hulle om uit.*" chanted the crowd. "Get him out!"

With true Afrikaner graft, aggressive to the end, Venter stayed and became a cult figure. Way ahead of the whites, the black sport accepted that athletic ability has nothing to do with skin color. Equally, just months ago, Shoes Moshoeu had to prove himself to the nation and the coach.

Now he is courting heroism. He is aflame at the time his country needs him. And on the eve of South Africa's finest soccer hour, Shoes holds the floor to international journalists.

"Everything is working well for us," he says. "Forward we go, backwards never."

Forward, indeed, with Shoes and the new South Africa.

Rob Hughes is on the staff of The Times of London.

Walter Dhladhla/Agence France-Presse
John (Shoes) Moshoeu swerving through the Algerian defense during South Africa's quarterfinal victory.

WORLD ROUNDUP

A Super Bowl Record

FOOTBALL The Super Bowl was watched by more people than any show in history, the NBC television network said. NBC said it estimated that the total U.S. audience for Dallas' victory over Pittsburgh was 138.5 million. The previous record was the 1994 Super Bowl between Dallas and Buffalo on NBC, watched by an estimated 134.8 million. *(AP)*

Favoritism to Grafs?

TENNIS A parliamentary panel said that German authorities had given the tennis star Steffi Graf and her father, Peter, both under investigation for tax evasion, preferential treatment over their tax affairs.

The report by deputies from the Baden-Württemberg state assembly criticized state finance ministry officials for holding meetings with Peter Graf to discuss his tax affairs. It also criticized a delay of several years before investigators probed the Grafs' taxes.

•Australian tennis officials refused to confirm reports that a death threat had been made against Monica Seles last week, although police said they were investigating a threat.

Seles, meanwhile, dropped out of the doubles event at the Pan Pacific Open women's indoor tournament to protect her injured shoulder and concentrate on the singles event. *(Reuters)*

Two Tours May Unite

GOLF The Asian and Australasian Professional Golfers' associations announced a plan for cooperation that could create a tour which, they said, would rival the U.S. PGA in prize money. *(Reuters)*

Red Sox Find Relief

BASEBALL The Boston Red Sox acquired Heathcliff Slocumb, a relief pitcher, outfielder Rick Holifield and a second pitcher, Larry Wimberley, from the Philadelphia Phillies for outfielders Lee Tinsley and Glenn Murray and pitcher Ken Ryan. Slocumb had 32 saves last year, fourth best in the National League. *(AP)*

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GERMANY*	D.M	700	38	210
GREAT BRITAIN	£	210	36	65
GREECE	DR.	90,000	39	27,000
IRELAND	£ IR.	230	37	68
ITALY	LIRE	510,000	50	155,000
LUXEMBOURG	L. FR.	14,000	42	4,200
NETHERLANDS	FL.	790	42	240
NORWAY	N. KR.	3,500	38	1,050
PORTUGAL	ESC.	51,000	39	16,500
SPAIN	PTAS.	55,000	39	16,500
SWEDEN	S KR.	3,500	40	1,000
SWITZERLAND	S. FR.	610	40	185
REST OF EUROPE ex CEI	$ US	485		145
CEI	$ US	750		225
UNITED STATES	$ US	360	36	115

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MIL 4

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	30	12	.714	—
New York	27	15	.643	3
Washington	21	21	.500	9
Miami	19	24	.442	11½
New Jersey	17	25	.405	13
Boston	15	26	.366	14½
Philadelphia	8	34	.190	22

CENTRAL DIVISION

	W	L	Pct	GB
Chicago	38	3	.927	—
Indiana	28	14	.666	10½
Atlanta	24	17	.585	14
Cleveland	22	20	.524	16½
Detroit	21	20	.512	17
Charlotte	21	21	.500	17½
Milwaukee	15	25	.375	22½
Toronto	12	30	.286	26½

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
San Antonio	27	13	.675	—
Utah	28	14	.667	—
Houston	29	15	.659	—
Denver	17	25	.405	11
Dallas	13	27	.325	14
Minnesota	11	29	.275	16
Vancouver	10	33	.233	18½

PACIFIC DIVISION

	W	L	Pct	GB
Seattle	31	11	.738	—
Sacramento	22	16	.579	7
L.A. Lakers	24	18	.571	7
Portland	21	22	.488	10½
Golden State	18	24	.429	13
Phoenix	17	23	.425	13
L.A. Clippers	16	25	.390	14½

MONDAY'S RESULTS

Miami 19 21 24 21—85
New York 22 24 18 30—94
M: Mourning 8-13 5-9 21; Chapman 9-17 4-6 23. N.Y.: Ewing 15-26 5-10 35; Davis 6-8 3-3 19. Rebounds— Miami 50 (Mourning 13), New York 43 (Oakley 13). Assists— Miami 18 (Coles 6), New York 26 (Oakley 6).

Vancouver 19 28 16 29— 92
Philadelphia 38 22 25 26—103
V: Reeves 6-14 4-4 16; Anthony 6-14 1-2 18. P: Higgins 11-14 3-4 27; Weatherspoon 9-17 5-7 23; Stackhouse 10-18 6-8 29. Rebounds— Vancouver 41 (D.Edwards 7), Philadelphia 49 (Higgins 11). Assists— Vancouver 25 (D.Edwards, Anthony, Murdock 6), Philadelphia 30 (Stackhouse, Ruffin 8).

Cleveland 38 16 22 18—86
Charlotte 22 22 22 22— 88
Cl: Brandon 6-17 10-13 22; Lang 6-7 2-4 14. Ch: Johnson 8-12 4-5 20; Geiger 5-11 8-11 18. Rebounds— Cleveland 47 (Cage 12), Charlotte 46 (Johnson 17). Assists— Cleve. 20 (Brandon 7), Charlotte 25 (Johnson 7).

Detroit 12 24 35 26— 97
Utah 38 29 22 25—106
D: Hill 10-17 14-16 34; Houston 6-16 8-11 23. U: Malone 14-22 12-16 40; Stockton 7-12 3-3 19. Rebounds— Detroit 42 (Thorpe 8), Utah 42 (Malone 18). Assists— Detroit 17 (Hill 8), Utah 32 (Stockton 14).

Seattle 27 22 17 26—92
Portland 22 26 22 18—88
S: Payton 10-12 0-0 21; Brickowski 6-9 1-2 16. P: C.Robinson 8-24 6-11 25; J.Robinson 7-9 3-4 20. Rebounds— Seattle 47 (Kemp 7), Portland 47 (Dudley 9). Assists— Seattle 22 (Payton 7), Portland 19 (Strickland 8).

NBA SCORING LEADERS

NBA Scoring leaders through Jan. 28:

Player, Team	G	FG	FT	PTS	AVG
Jordan, Chi.	41	471	280	1274	31.1
Malone, Utah	41	392	277	1067	26.0
Robinson, S.A.	40	356	308	1021	25.5
Olajuwon, Hou.	44	441	238	1123	25.5
Mourning, Mia.	30	241	245	734	24.5
Hardaway, Ori.	42	337	288	1019	24.3
C.Robinson, Port.	38	299	182	899	23.7
Cebrilos, L.AL.	40	349	221	937	23.4
Rice, Char.	39	324	161	904	23.2
Richmond, Sac.	38	288	212	876	23.1

Top 25 College Results

How the top 25 teams in The Associated Press' college basketball poll fared Monday:

6 Villanova (17-3) beat No. 18 Syracuse 72-69 in overtime. Next: vs. Pittsburgh, Saturday.
12 Virginia Tech (14-2) beat St. Joseph's 85-76. Next: vs. North Carolina-Greensboro, Wednesday.
14 Syracuse (14-6) lost to No. 6 Villanova 72-69 in overtime. Next: vs. Miami, Thursday.

Major College Scores

MONDAY'S RESULTS

Bradley 68, Wichita St. 49
Colorado 106, Missouri 94
Creighton 79, S. Illinois 77
Duquesne 59, Dayton 56
E. Tennessee St. 64, Citadel 49
Nevada 71, UNLV 64
N. Illinois 71, Wright St. 63
Princeton 75, Haverford 46
Rice 78, Southern U. 70
Richmond 105, George Mason 91
Tennessee St. 86, Morehead St. 76
Tennessee Tech 86, E. Kentucky 80
Tulsa 89, N. Iowa 79
Utah St. 70, New Mexico St. 60
W. Carolina 93, Appalachian St. 83

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
N.Y. Rangers	30	11	9	69	187	138
Florida	31	13	5	67	174	131
Philadelphia	24	14	11	59	169	129
Washington	23	20	5	51	132	122
New Jersey	21	22	5	47	126	121
Tampa Bay	20	20	7	47	139	157
N.Y. Islanders	12	27	8	32	133	179

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Pittsburgh	31	15	3	65	237	164
Montreal	24	19	6	54	155	157
Boston	20	20	6	46	166	172
Hartford	18	24	6	42	132	148
Buffalo	19	25	3	41	136	154
Ottawa	9	37	2	20	111	192

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	34	9	4	72	177	104
Chicago	25	15	11	61	172	141
Toronto	22	17	9	53	149	139
St. Louis	20	20	8	48	129	134
Winnipeg	21	24	4	46	172	179
Dallas	14	24	10	38	132	166

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	26	14	9	61	189	138
Vancouver	17	19	12	46	176	164
Los Angeles	17	22	11	45	167	173
Calgary	17	23	9	43	144	155
Edmonton	18	24	6	42	133	183
Anaheim	17	27	5	39	139	166
San Jose	10	35	4	24	145	221

MONDAY'S RESULTS

St. Louis 1 1 0—2
Ottawa 1 2 1—4
First Period: O-Yashin 3 (Charbe, Madry), 2, St. Louis, Howerchuk 9 (Matteau). Second Period: O-Dackenie 6 (Alfredsson, Yashin) (pp). 4, S.L.-Howerchuk 10., 5, O-Alfredsson 16 (Yashin). Third Period: O-Drury 9 (Tormanen, Charbe). Shots on goal: S.L.- 13-4-12—30. O- 7-14-4—25. Goalies: S.L.-Fotre, Racine. O-Rhodes.

Pittsburgh 0 0 1—1
Florida 1 0 1—2
First Period: F-Murphy 8 (Niedermayer, Svensson) (pp). Second Period—None. Third Period: F-Niedermayer 19 (Garpenlov), 3, P-Jagr 41 (Francis, Zubov) (pp). Shots on goal: P-4-14-6—24. F- 12-12-9—33. Goalies: P-Barrasso. F-Fitzpatrick.

Winnipeg 0 1 1—2
Dallas 0 0 1—1
First Period—None. Second Period: W-Tkachuk 30 (Selanne, Maciver) (pp). Third Period: W-King 7 (Drake, Darryl Shannon) (sh), 3, D-Nicowendyk 5 (Adams, Modano) (pp). Shots on goal: W- 9-12-12—33. D- 9-5-12—26. Goalies: W-Khabibulin. D-Besler.

NHL SCORING LEADERS

NHL Scoring Leaders through Jan. 28:

Player, Team	GP	G	A	PTS	PIM
Lemieux, Pit	41	45	64	109	36
Jagr, Pit	48	40	56	96	52
Francis, Pit	46	21	60	81	22
Messier, NYR	50	36	37	73	95
Gretzky, LA	50	14	58	72	30
Sakic, Col	49	31	37	68	30
Selanne, Win	48	24	44	68	16
Forsberg, Col	49	16	52	68	37
Verbeek, NYR	50	34	33	67	94
Mogilny, Van	46	38	28	66	10

SOCCER

ENGLISH F.A. CUP
FOURTH ROUND
Queens Park Rangers 1, Chelsea 2

TRANSITIONS

BASEBALL
AMERICAN LEAGUE
BOSTON—Traded Lee Tinsley and Glenn Murray, outfielders, and Ken Ryan, pitcher, to Philadelphia for Heathcliff Slocumb and Larry Wimberly, pitchers, and Rick Holyfield, outfielder.
CALIFORNIA—Signed Steve Ontiveros and Shawn Boskie, pitchers, to minor-league contracts.
CLEVELAND—Signed Scott Leius, infielder, to minor-league contract.
MINNESOTA—Signed Roberto Kelly, outfielder, to minor-league contract.
NEW YORK—Agreed to terms with Kirt Ojala and Brien Taylor, pitchers, and Mike Figga, catcher, on 1-year contracts. Signed Gerald Perry, 1st baseman, to a minor-league contract.
OAKLAND—Agreed to terms with Pedro Munoz, outfielder, on a 1-year contract. Claimed Aaron Small, pitcher, off waivers from Seattle.
NATIONAL LEAGUE
COLORADO—Signed Curtis Leskanic, pitcher; Jayhawk Owens, catcher and Harvey Pulliam, outfielder.
BASKETBALL
NATIONAL BASKETBALL ASSOCIATION
LOS ANGELES—Activated Magic Johnson, guard-forward. Put Fred Roberts, forward, on the injured list.
FOOTBALL
NATIONAL FOOTBALL LEAGUE
NFL—Named Kansas City quarterback Steve Bono to the AFC Pro Bowl team. Announced Cincinnati quarterback Jeff Blake will start for the AFC team.
HOCKEY
NATIONAL HOCKEY LEAGUE
DALLAS—Sent Jere Lehtinen, right wing, to Michigan, IHL.
EDMONTON—Sent Tyler Wright, center, to Cape Breton, AHL. Activated Miroslav Satan, center, from injured list.
MONTREAL—Recalled Patrick Labrecque, goalie, from Fredericton, AHL.
N.Y. ISLANDERS—Recalled Eric Fichaud, goaltender, from Worcester, AHL. Sent Tommy Salo, goaltender; Andrei Vasilyev, left wing; and Donton Cole, right wing, to Utah, IHL.

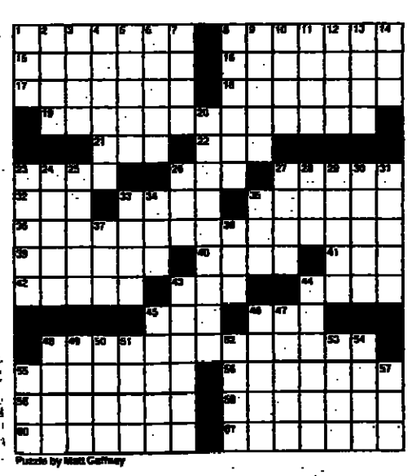
CROSSWORD

ACROSS

1 Moreover
8 Senate V.I.P.
15 Behead, maybe
16 Camden Yards birds
17 Problem solved with drops
18 Stores on the Plaza del Sol
19 More diminutive comic?
21 L.A. campus
22 Author
23 Pool activity
26 Mess up
27 Halloween garb
32 Self-proclaimed psychic Geller
33 Indian attire
35 Porter nom de plume
36 Quicker writer?
39 1751 Fielding novel
40 [uh-oh!]
41 "The Island of the Day Before" novelist
42 Noted consumer advocate
43 With 38-Down, a Chinese dish
44 The "A" in M.A.
45 Actress Barbara ——— Geddes
48 Beach shade
48 Taller actress?
55 Pol's media event
56 Former French colony
58 Roll-on alternative
59 Staggering
60 Seaside factory
61 Singular

DOWN

1 Sacramento newspaper
2 Final
3 Antitoxins
4 Son of Daedalus
5 Tear channels
6 Puritan work ——
7 Visualized
8 Bug
9 "Platoon" movie studio
10 Oktoberfest order
11 No-no
12 Like many a shoppe
13 Shakespearean king
14 Twisty curve
20 With elasticity
23 Bush Cabinet member Manuel
24 Fragrance
25 Had a yen
26 Pitchers want it low
27 Send
28 Playboy mansion boss
29 Stage direction
30 Build
31 Neophytes
33 Recipe word
34 Detective's cry
35 Hooter
37 Hearty brew
38 See 43-Across
43 With all one's heart
44 Bassett of "Waiting to Exhale"
45 Main street of Toronto
46 Flat sign
47 Tee off
48 Stadium seating 55,601
49 Brass piece
50 British prep school
51 Get upset
52 Friend of Sven
53 Moran of "Happy Days"
54 Proposer's offering
55 ——Man
57 Subject of an ID check



Puzzle by Matt Gaffney

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Jan. 30

D	E	B	S		O	C	A	L	A		I	S	L	E
E	R	L	E		F	R	U	I	T		A	C	I	D
G	O	I	N	G	F	O	R	T	H	E	G	O	L	D
	T	S	A	R	S			T	O	B	O	O	T	
B	I	T	T	E		A	B	O	M	B		T	I	A
A	C	E			C	R	A	N	E		K	E	N	T
M	A	R	A	T	H	O	N			B	A	R	G	E
			G	O	I	N	G	A	T	I	T			
L	A	S	E	R			E	C	O	N	O	M	I	C
E	L	K	S		B	A	R	R	Y			O	N	O
X	V	I		P	A	R	S	E		A	L	O	F	T
	E	N	C	A	S	E			A	R	E	N	A	
G	O	N	E	W	I	T	H	T	H	E	W	I	N	D
B	L	E	D		C	H	A	S	E		I	S	T	O
S	I	R	E		S	A	L	E	M		S	H	E	S

Jotting Pad

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European TV Signs $1.4 Billion Olympic Deal

Reuters

GENEVA — The International Olympic Committee said on Tuesday it had sold television rights for successive Olympic Games from 2000 to 2008 to the European Broadcasting Union for more than $1.4 billion.

The agreement covers the 2000 Summer Games in Sydney for $350 million, the Winter Games in 2002 in Salt Lake City ($120 million), the 2004 Summer Games ($394 million), the 2006 Winter Games ($135 million), and the 2008 Summer Games ($443 million).

On top of the $1.4 billion total, the IOC will also receive 50 percent of EBU profits along the lines of a deal struck between the IOC and NBC, the U.S. network, late last year.

The sale is a rare piece of good news for the public service broadcasters that form the EBU's membership. The rise of satellite broadcasters had threatened the EBU's European Olympic monopoly. The EBU had broadcast all Olympic Games since 1960.

The IOC did receive higher offers, including one said to be nearly $2 billion from a consortium including Rupert Murdoch's News Corp.

A joint IOC-EBU statement said: "These decisions were taken based on the EBU's experience and expertise, and on the interest of the Olympic movement and all viewers in Europe [including Eastern Europe], North Africa and the Middle East."

"In addition to the extensive free coverage provided, EBU broadcasts are of high quality, especially in terms of production. Furthermore, the EBU has demonstrated an important contribution and commitment to the continued promotion of the Olympic movement and all Olympic sports."

The Geneva-based EBU represents 65 broadcasting organizations in 49 countries across Europe, the Middle East and North Africa.

"We consider sports as a public service. We are not trying to make money on it. That is what probably pleases the IOC," said Jean-Pierre Julien of the EBU.

Julien said the profit share did not necessarily mean large revenue for the IOC. "Profits of our members are very hypothetical."

هكذا من الأصل

SPORTS

Not the Same Magic, but He's Ready to Play

By Tom Friend
New York Times Service

LOS ANGELES — The owner just activated himself. Magic Johnson, who held a 5 percent slice of the Los Angeles Lakers, traded it all in Monday for a locker-room key. He is 36, HIV positive and the latest player to prove that retirements are made to be broken.

He left four years ago because of the infection, and returned Tuesday night against Golden State because of a biological clock.

"Now or never," he said.

His doctors have cleared him, his wife has hugged him, his strength coach has rebuilt him, his teammates have approved him, and the coach, Del Harris, has rewritten the playbook. He will be sixth man, he will play point forward and he may not leave again until the turn of the century.

"It's on," he said after a two-hour crash course of a practice. "No matter who says what, no matter what happens. I'm in this all the way."

His retired jersey is stapled to the side of the Forum, which made the announcement Monday literally an off-the-wall development. The Lakers, meanwhile, have won three straight, are six games over .500, host the 38-3 Bulls on Friday and just made the most electric midseason roster move since Michael Jordan re-upped with Chicago.

"But Earvin didn't go out and play baseball," Harris said.

Since Johnson announced on Nov. 7, 1991, that he had the virus that causes AIDS, he has become a Lakers owner, a movie theater owner and a father. He has teased the Lakers before, nearly rejoining them in 1992, 1994 and 1995.

But Monday's decision has to do with an unselfish wife named Cookie, an emotional conference call and a 3-year-old child named Earvin Johnson Jr.

"I want my son to see me play," Johnson said.

Only one player has voiced a dissenting opinion: the 76ers' Vernon Maxwell said he concerned about being infected. Johnson said he will not allow peers to dissuade him this time.

Karl Malone's caustic comments in 1992 led Johnson to abort a previous comeback. But Johnson signed a one-year, $2.5 million contract Monday and hinted that 1996 will not be all there is.

"I've been there five times," he said of winning the league championship. "I know what it takes to go one more time, a couple of more times."

Frederick M. Brown/Agence France-Presse

Magic Johnson, right, working out with the Lakers during a practice session at Loyola Marymount University.

As for Maxwell, he said: "Maxwell's never cared about anyone but himself anyway, and now he cares about everyone in the world.

"I'm calm, I'm not worried about critics," he said. "Before, I was worried about it, but I'm at peace with myself."

And if he suffers a cut in a game?

"I'm not going to worry about that this time," he said. "David Stern has done a wonderful job educating the players. I play with the guys in the summertime, I played 53 league games against national teams, All-Star teams. So the time is right now."

"The guys have educated themselves," he added, "and when you educate yourself, you don't have to think all those crazy thoughts."

The decision to return was born last summer and made final 10 days ago. Two Lakers players, Nick Van Exel and Eddie Jones, set up a conference call to assure Johnson they would make room in the locker room and in their card games.

"They said, 'You've gotta come back,' and I started thinking, 'Hmmm' I said, 'I'll talk to Cookie again,' and she was, 'Go back, go back.'"

In order to play he had to sell his 5 percent share of the club. The majority owner, Jerry Buss, took about 10 seconds to volunteer to buy it back.

That made the comeback official and made Buss a richer man: Ticket lines at the Forum were already 100 deep Monday afternoon.

"I thought I was a good part-owner," Johnson said. "I kept my mouth shut and collected the checks."

Johnson memorized four plays at Monday's practice, will have two more put in just for him. He has spent months growing his biceps, has gained 27 pounds of muscle to put him at 255 (115 kilograms) and believes the added weight will enable him to play back-to-back games without ruining his health.

On the other hand, he cannot run as fast. "But, see, I don't have to be a great player. That's in the past. That's five years ago. I know I'm five steps slower, but the hook shot's still there."

He said he is finally the same speed as his longtime friend, Larry Bird, and will watch old Celtics' films to look for tricks.

In the Guest Bedroom, The Compleat Agassi

A Fan Sweeps Up Every Detail

By Ian Thomsen
International Herald Tribune

LONDON — Andre Agassi has been spreading himself out in the guest room of Sharon Pascual's east London flat. Without realizing it he has really taken over. His words, his ambitions, his philosophy occupy a full wall six shelves high to the ceiling. What doesn't fit there has found space on the opposite wall — his framed photographs and autographs, 100 or more of his videotapes, all of his public secrets.

For a decade Agassi's tennis career — more than that, his whole life — has been broken down, translated and analyzed in little disposable bits by news-gathering organizations around the world. For almost five years Sharon Pascual has been sweeping up those bits. She is trying to put Agassi back together again.

"I don't have a computer at home, but they don't mind me using the computer at the office," she explained. Pascual, 38, is an assistant rental manager for a teleprompter company in London: basically, she types speeches and presentations into the computer. "All I had to do today was one script. It took me a half-hour to type it in. Of course I'm answering the phone and taking bookings, but the rest of the day I spent on Agassi."

There are going to be two books. One will be called, "Andre Agassi From A to Z." There will be 26 chapters. She tilts back laughing to admit she thought she had it finished in 1993: "He hadn't even started with Brooke Shields yet."

The other book will be a compilation of all of Agassi's matches. She just finished putting together the results of every set he played when he was 10 years old.

Yet she is unexpectedly objective about her subject. She doesn't take criticism of Agassi personally, though it is forced upon her continuously by wise-guy journalists and commentators. She doesn't refer to him possessively, or claim by inference to know him well. Her companion of 14 years, John, apparently does not feel threatened by her devotion to Andre.

As for Sharon: She is slim, attractive, happy and altogether normal, except for the three binders filled with photographs she and her brother snapped of Agassi from her TV screen. (Many are of surprisingly high quality.) When Agassi was chased out of the Australian Open semifinal in straight sets by Michael Chang on Friday, his stockpiler seemed hardly affected.

"My mum's in tears though," she said. "She's 75."

She has only had one other relationship like this. It was with David Cassidy in the 1970s. She transcribed the dialogue from more than 20 episodes of Cassidy's TV show, "The Partridge Family." It all burst when Cassidy retired temporarily from public life because he couldn't take the pressure from his fans. Pascual regards it as a teenage crush; her fascination with Agassi is harder to explain.

She was recovering at home from thyroid surgery in 1991 flicking back and forth between cricket and Wimbledon, when Agassi approached her with the vitality of someone actually marching pigeon-toed into her room. She had never really cared much for tennis until then.

Now there must be more than 50 binders, each of them labeled: *The World of Andre Agassi*. Each of his professional seasons occupies a minimum of two binders. Plus, there are miscellaneous entries, for example, "Research Notes 1991." There volumes dedicated to: "Foreign Features." And: "Off Court/Personal Life;" "Record of Opponents (A-L, M-Z);" "Magazine Front Covers."

To open just one of these thick black loose-leaf books is to be struck by the tininess of the type she uses, the breadth of minutiae. Everything she has ever read about Agassi has been boiled down systematically, patiently,

Sharon Pascual has just finished putting together the results of every set Agassi played when he was 10 years old.

and recorded in the appropriate binder. Imagine the depth, weight and sprawl of the original works: the hundreds of thousands of journalism-hours, the airplane fuel and the hotel bills, the forests of trees that have been felled. Are we all crazy?

"These are Agassi's shirts," Pascual said, sorting through more than a dozen of his trademark-neon shirts and shorts, each in mint condition and wrapped in plastic. "I just buy them in the shops wherever I can find them. I've written to Nike, but they say after six months they get rid of a certain style and move on to something else."

She scours the papers daily, the magazine racks at the newsstands, the libraries with their microfiched newspapers from all over the world. She writes to everyone she can imagine, which explains the autographed photo of the American talk-show host Jay Leno (who interviewed Agassi), and the photo of George Bush playing horseshoes with Agassi. It has been autographed by the former president.

"I would like to get their approval before I publish the books," Pascual said, speaking of Agassi and his brother, Phillip (which reminds her: She should probably compile Phillip's junior tennis results as well). "I was thinking that some of the proceeds could go to Andre's foundation. Otherwise, it looks like you're just trying to make money off of it."

She has only met her subject once, and that for only a couple of minutes. In a dream world come true, she would visit his home in Las Vegas.

"It would fill in big gaps," she said. "It would be nice to see how he lives away from tour. But I probably wouldn't be able to say anything to him. I'd be so shy."

What would she want to know exactly? There must be something.

"I'd love to know what aftershave he wears," she said. "Nothing's ever been said about that anywhere."

Finally, Ottawa Wins at Home

The Associated Press

The Ottawa Senators knew their play was improving, even though they had little to show for it.

The Senators, the National Hockey League's worst team, stopped a league-record 17-game winless streak at home Monday night with a 4-2 victory over the St. Louis Blues.

NHL ROUNDUP

Alexei Yashin had a goal and two assists as Ottawa won for the first time in six tries in their new Palladium arena. The Senators had gotten their third coach, second general manager and second rink since last winning on home ice Oct. 26 at the Ottawa Civic Centre.

In their last home game, Ottawa tied Toronto, 2-2. The Senators also lost close games to Pittsburgh and Detroit last week in the team's first two outings after Martin replaced Dave Allison, who was fired as head coach.

Ottawa got a couple of breaks as two St. Louis power-play goals were disallowed. One questionable Ottawa score was allowed to stand.

Dale Hawerchuk scored twice for the Blues, giving him 499 goals in his 15-year career.

Panthers 2, Penguins 1 The backup goaltender, Mark Fitzpatrick, and the Florida defense held Mario Lemieux scoreless for only the second time in 42 games this season. Fitzpatrick made 23 saves for the host Panthers.

Jets 2, Stars 1 An apparent tying goal by Joe Nieuwendyk was disallowed with two seconds left in regulation, giving Winnipeg a victory in Dallas. The referee immediately ruled that Nieuwendyk kicked the puck into the net. Keith Tkachuk got his 30th goal of the season in the second period, and Kris King gave the Jets a 2-0 lead.

Knicks Keep the Heat on Miami

The Associated Press

No matter which side he's on, Pat Riley seems to spur the New York Knicks.

The Knicks, who came within a basket of winning the National Basketball Association title under Riley in 1994, beat him and the Miami Heat on Monday night for the third time this season, 94-85.

NBA ROUNDUP

"We play very well against them. Maybe when he is there it brings out the demon in us. If it keeps going like this, we should play them every game," said Hubert Davis, who scored 19 points.

Patrick Ewing scored 35 points as the Knicks improved to 7-0 against Miami in the last two seasons. New York is 17-1 overall against the Heat at Madison Square Garden.

Hornets 88, Cavaliers 86 Kenny Anderson made a running bank shot with six-tenths of a second left, lifting Charlotte over Cleveland as the Hornets reached the .500 mark for the first time since Nov. 11.

SuperSonics 92, Trail Blazers 88 Gary Payton hit 10 of 12 shots, including a 19-footer with 13.5 seconds left, and scored 21 points as Seattle won at Portland. Clifford Robinson scored 25 for Portland. Seattle's star Shawn Kemp was held out of the starting lineup by Coach George Karl because he arrived late.

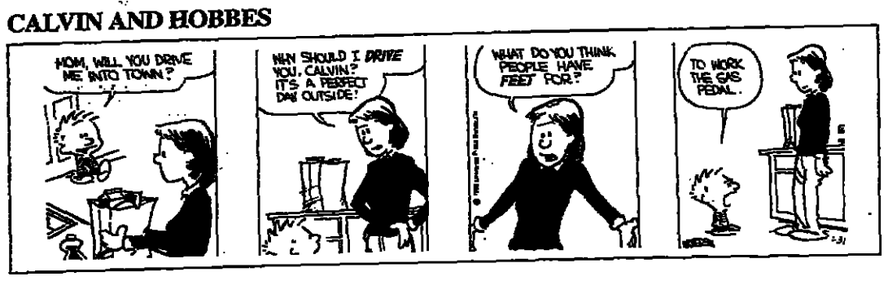
Jazz 106, Pistons 97 Karl Malone scored 40 points and Utah coasted after building a 26-point lead late in the first half. The host Jazz were ahead 69-45 with eight minutes left in the third quarter, but Detroit closed within nine points in the final period.

76ers 103, Grizzlies 92 Jerry Stackhouse scored 29 points as short-handed Philadelphia stopped a nine-game losing streak. Derrick Coleman and Sharone Wright are injured, and Vernon Maxwell, sentenced earlier in the day in Houston to 90 days in jail on a marijuana possession charge, did not show up.

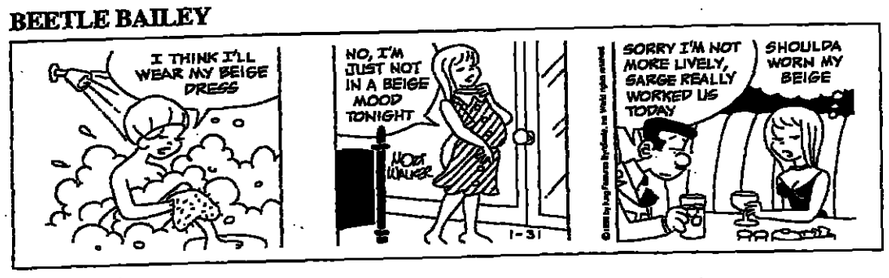
DOONESBURY

WIZARD of ID

CALVIN AND HOBBES

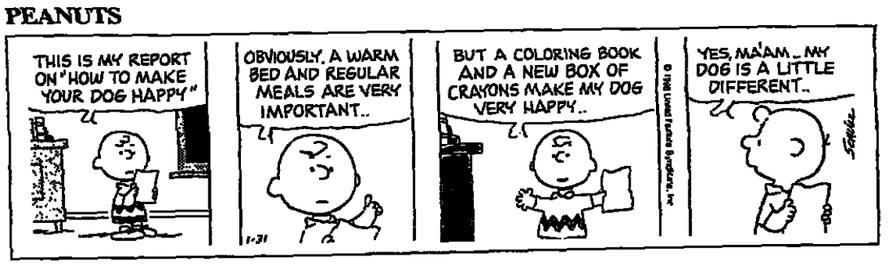


BEETLE BAILEY

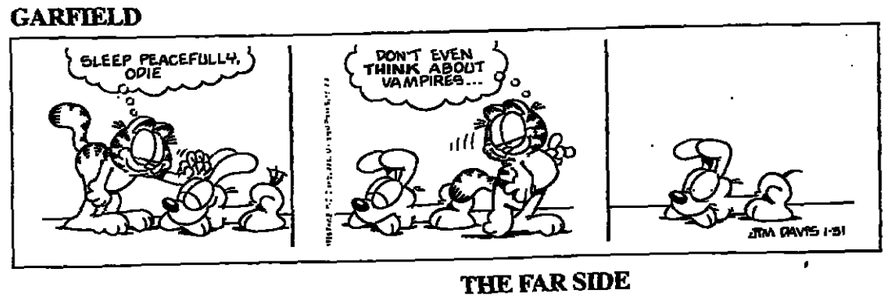


BLONDIE

PEANUTS



GARFIELD



JUMBLE®

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

YUNTT

CAPIN

TESKUM

WODIMS

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: "____" AND ____

(Answers tomorrow)

Yesterday's Jumbles: ORBIT TESTY PERMIT EMPLOY
Answer: What the boss got from his secretary — AN "EMPTY" PROMISE

THE FAR SIDE

Working alone, Professor Dawson stumbles into a bad section of the petri dish.

OBSERVER

Super Bowl Oneness

By Russell Baker

NEW YORK — The Super Bowl is as phony as a tear rolling down a press agent's cheek, but how can you not like it anyhow?

It's like the Academy Awards and the Miss America pageant: utterly pointless and stupefyingly dull, but a rare opportunity nevertheless for all Americans to sit down together by the TV set and feel a sense of oneness.

Once we had the funerals of our assassinated statesmen to bring us together in televised communion. Mercifully, no more. Now we must make do with publicity-crazed lawyers showing off in televised courtrooms, as in the O.J. Simpson case. But that's a sometime thing, different from the three great TV spectacles.

Yes, of course millions of Americans do not watch the Super Bowl, Academy Awards or Miss America. Such is the perverse variety of America that millions find other ways to spend these evenings. For instance, while the first ton of commercials is being dumped into the parlor, I can slip away from the crowd unnoticed, crawl under the covers with a heavy book and be in Dreamland before the first Miss America finalist announces that her life's ambition is to do good for humanity.

□

Incidentally, President Clinton is driven by this very same ambition, unless I misunderstood his speech to Congress in which he came out against crime, pornography and street gangs.

Political analysts say this shows Clinton wants to steal the Republicans' issues. I would have thought it proof that he wants to be the next Miss America.

Speaking of which, can you name the current Miss America? Or say who won the Academy Award for best actress last year? Or tell me who won the previous Super Bowl?

Of course a few of you can, but I'll bet that most can't. As usual, this conclusion rests on the belief that since I can't remember the winners, neither can most other people.

□

It is my conviction, based on the same flimsy reasoning, that inability to remember the winners of these things is eroding their popularity. There have been too many winners in too short a time.

Every time you stick your head up you are hit with a new Miss America, a new Oscar winner, a new Super Bowl champion. As so often in real life, too much of a good thing makes you wonder if you've given broccoli a fair chance.

The Super Bowl is also hurt by its shameless crassness. Its TV commercials are said to be the costliest in human history. Each year the cost of a 30-second commercial reaches a new peak. As a result, when watching a Super Bowl, you become more interested in the commercials than in the football game.

The Dallas Cowboys may be invited to the White House to be photographed with President Clinton.

For years now, no athlete has been able to win the big casino without being press-ganged for a photo op with Mr. President. Let's hope one of those gigantic men has the nerve to ask, "Mr. President, why do you want to be Miss America?"

New York Times Service

In Japan, They Take the Gangsta Out of Rap

By Nicholas D. Kristof
New York Times Service

TOKYO — Yuri Ichii is one of Japan's biggest rap stars, but it was tea that she choked on, not something stronger, when she was asked about rap music's associations with sex, drugs and violence.

"I just live an ordinary life," she protested, "and I love my Mom and Dad."

Ichii, in short, is not exactly an emblem of "gangsta rap." She has sold millions of copies and is riding the crest of popularity of rap music in Asia, but rap on this side of the Pacific Ocean is a world apart from its counterpart in America, and the chasm underscores the difference in youth values and popular culture.

They have taken the beat and stuffed it with language that is as polite as Japan itself.

American rap is notorious for some hard-edged songs of sex and violence, even about killing a policeman — although fans say that it is a few well-publicized songs that have given the entire genre a bad name. In his State of the Union address last week, President Clinton joined the call for restraint from recording companies, who churn out what critics say are odes to rape or murder.

But in Asia there is almost no debate about music lyrics, partly because Japanese have taken the beat of rap music and stuffed it with language that is as polite as Japan itself.

"We've been very fortunate, and we don't want to bother our moms and dads," explained Yoggy, another member of Ichii's band, East End X Yuri. "So we don't sing songs that would disturb parents."

The restraint is perhaps less a tribute to the music companies than to the fans themselves. While hard-edged songs are available, by rap groups like Zingi, few customers want to buy them.

"Those songs sound like something that people in a faraway culture might sing," said Gaku, who like many rappers uses just his stage name. "In Japan, if we sang, 'Shoot cops!' it would sound really fake."

Ichii, who is 23 but cultivates a sweet 16 look, added: "If I looked more grown-up and sexier, I might use obscene words. But I don't think those words really fit me."

Junichi Takahashi/FOR LIFE Records

The Geisha Girls, made up of two men: "Whatever words fit the beat."

So Japanese rappers talk about love, resentment, envy, dyed hair, cellular phones, even food. The songs rarely get more subversive than one called "Chase the Chance":

You're taught to cooperate,
And good girls can only be good girls.
But you've felt the beat, and there's nothing you can do
Just chase the chance.

The songs might seem pabulum to American rappers, but they are big sellers throughout Asia. Indigenous rap has spread to South Korea, Thailand, China, Malaysia and much of the rest of Asia, and in most countries it is as popular as it is polite.

Japanese rap, in particular, uses a lot of slang, making it seem very informal. This is accentuated by the hip hop look that goes with rap: baggy pants that slip down on the hips, baseball caps, heavy jewelry, a plastic bag from a music store in one's hand, and a studied casualness.

The rap song "Street Life" describes the mood:

Now's the time to hip hop,
Everybody's crazy about rap
Hey, hey, you all, listen up,
Listen to my rap and cheer up.

The song continues to talk about "hanging out till we die," but the problem is that street life in Japan is pretty much limited to Sunday afternoons. The rest of the week the youthful fans shed their baggy pants for school uniforms and spend their evenings in cram school.

Indeed, that may be part of the appeal of rap in Japan: it signifies a mild rebellion against the world of neckties and *keigo*, or formal language, that constricts adults.

"High school kids might find it refreshing to see the way we lead our lives, or the way we treat work," said Bose, of the group Schadaraparr.

Bose, like many rappers, tries to portray himself as a rebel against Japanese society, but to anyone familiar with American lyrics he seems pretty tame.

"If our views were taken seriously by the audience, it would have a very bad effect on society," Bose said.

Asked what kind of dreadful effect their music or way of life could possibly have, since Bose had already admitted that the lyrics were mostly unintelligible fragments of conversation with no particular meaning, the group members looked down at the table in embarrassment and silence.

Finally, they came up with an example of how their way of life threatens the orderliness of Japanese society and economics.

"Well," said Bose, "like, we were really late to this interview. Stuff like that."

Steve McClure, the Japan bureau chief of Billboard, the trade magazine for the music industry, noted that Japanese rap illustrates the way that Japan often takes foreign cultural forms and transforms them to meet its own needs.

Baseball, for example, is as widespread in Japan as in America, but ballplayers here sometimes begin games by bowing to the opposing team.

"Japanese like the style and beat of rap music, but they don't like the content," said Keith Cahoon, Far East manager director for Tower Records. "Japanese don't feel so comfortable with sexual bragging, and very few people here deal drugs for a living, or have guns, or have racial conflicts, so these topics don't really relate."

In the absence of much of a social message, some rap musicians turn to humor. One popular rap group, Geisha Girls, is made up of two male comedians who began wearing geisha costumes and singing rap songs as a lark.

"I figured the lyrics didn't really matter, so I just threw in whatever words fit the beat," admitted Hitoshi Matsumoto, one of the performers, whose stage name is Ken.

Pressed on the message in his rap, Matsumoto looked blank at first. Then he remembered. "I was so busy around the time we were recording," he said brightly, "*that* I guess my message in the songs was really that I wanted to fall asleep."

POSTCARD

In Berlin, Erotica for 'Mr. and Mrs. Everybody'

By Stephen Kinzer
New York Times Service

BERLIN — Half a century ago, a young German war widow named Beate Uhse began selling understated sex manuals from the back of her bicycle in the northern town of Flensburg. Now she is believed to be both the world's largest vendor of sex-related items and one of Germany's best-known personalities.

Nearly every city and large town in Germany has a Beate Uhse store, most of them on shopping streets and catering to a clientele of both sexes and all ages over 18. The stores, which sell an array of pornography, sex toys and lingerie, have also sprouted in countries across Europe, racking up annual sales of more than $80 million.

This month, to celebrate her 50th anniversary in business, Uhse opened a vast museum of erotica, the largest of its kind in Europe and perhaps the world. On its first weekend, lines of visitors snaked around the block.

While succeeding in business, she has also seen Germany evolve from a land where sexual themes were taboo in public discourse to one of the most permissive places on earth.

When Uhse went into business in 1946, it was illegal for unmarried Germans to receive information about contraception, and parents who allowed their adult children to spend the night with fiancees were subject to arrest and imprisonment.

During World War II, Uhse's pioneer spirit had led to her to enlist in the Luftwaffe and become the first woman allowed to fly German fighter planes. The same spirit led her to challenge her country's puritanical laws by publishing a leaflet in 1951 called "Is Everything Right in Your Marriage?" and, a year later, to issue a 32-page catalogue offering about 45 sex-related items for sale.

"Since I started in business, the Germans have become unbelievably more liberal in these matters," Uhse, now a vibrant 76, said in an interview. "The big break came in the 1960s, when the birth control pill appeared. There were very detailed reports about it in the papers, and that was the first time the subject of sex was discussed in a factual way."

Uhse, a divorced grandmother who is devoted to family outings and who still holds a pilot's license, is widely popular in Germany. She says her new museum is aimed at "Mr. and Mrs. Everybody."

"I've never been in a sex store," one of the first patrons, Anita Huck-Mueller, 56, a Berliner, said as she lingered over a set of French plates displaying a couple in intimate embrace. "But this is different. This is a museum."

PEOPLE

CITY officials in St. Petersburg, the birthplace of the poet **Joseph Brodsky**, plan to issue a collection of his poems and erect a plaque at his former home to commemorate him. **Mayor Anatoli Sobchak** said Russians "are immeasurably in debt to this great man, whose heart has come to a standstill." Brodsky, who never returned to Russia after being exiled by Soviet authorities in 1972, died Sunday in New York of an apparent heart attack. "We shall do everything possible to keep the memory of Joseph Brodsky forever in the minds of city residents," Sobchak said. **President Boris Yeltsin** sent condolences to Brodsky's family saying, "Russian and world culture have sustained an enormous loss."

□

Christopher Reeve, confined to a wheelchair and respirator after a riding accident, is lobbying Congress to raise the lifetime spending caps on catastrophic insurance policies. The actor is writing to all members of the Senate, seeking support for a bill by Senator James M. Jeffords that would forbid insurance companies to set lifetime caps of less than $10 million. Most have limits of around $1 million. Reeve's health care costs around $400,000 a year and his policy has a cap of $1.2 million, according to a report in The Washington Post. "A year or two ago we seemed to be very well off," Reeve told the Post from his home in Pound Ridge, New Jersey, where he lives with his wife, **Dana**, and his 3-year-old son, **Will**. Now, "the picture has changed. And there are so many other people who are in this situation whose positions are so much worse."

□

Prince Philip, husband of **Queen Elizabeth**, has become the latest member of the British royal family to fall victim to mobile telephone snoopers. The Sun newspaper claimed Tuesday to have bought a 17-minute tape on which Philip is said to joke and grumble to an unidentified woman friend about family members. But the Sun was curiously reticent about publishing details of the Dec. 21 conversation that it said would "devastate Buckingham Palace." Intercepting private telephone conversations, and recording them, has been made illegal in Britain. . . . Princess Diana laughed and chatted with 70 U.S. correspondents as guest of honor at a luncheon of the Association of American Correspondents in London, and showed no evidence of recent strained relations with the media. Her remarks were off the record, but when a reporter asked whether he could write that she was relaxed and cheerful, she said yes, then added, to laughter, that she also was "very stable." . . . Diana's younger brother, **Earl Spencer**, has moved with his family to South Africa. Spencer, 31, who inherited the family's English estate after his father's death in 1992, has settled in a suburb of Capetown with his wife, **Victoria**, and four children. The couple had separated last year.

□

Garth Brooks stole the show at the American Music Awards when he refused to accept his trophy for best artist of the year, saying it should have gone to **Hootie & the Blowfish**. Backstage, he said that band had single-handedly salvaged a dreadful year for retailers with its multimillion-selling album "Cracked Rear View."

The Associated Press

Garth Brooks won three awards but accepted only two.

□

Susan Sarandon and **Harrison Ford** have been chosen woman and man of the year by Harvard University's Hasty Pudding Theatricals. **Michelle Pfeiffer** and **Tom Hanks** were last year's winners.

□

Ang Lee, the director who has won accolades for his films "Sense and Sensibility," "The Wedding Banquet" and "Eat Drink Man Woman," is saying thanks to his alma mater, the New York University Tisch School of the Arts by establishing a fellowship in his name for graduate film students at the school.

□

Walter Cronkite will keep working on his memoirs from home while he recovers from a knee replacement. The 79-year-old former CBS anchorman has set up an office in his home to complete work on two television retrospectives.

□

"Cats," **Andrew Lloyd Webber**'s show based on poems by **T.S. Eliot**, has entered the record books by becoming the world's longest-*running* musical with 6,138 performances (and counting). The musical, first staged at the New London Theatre in London in 1981, has earned more than £1 billion ($1.5 billion) worldwide. It surpassed the record held by the Broadway production of "A Chorus Line."

□

Richard Gere has sold his residence in Malibu, California, for $2.2 million, meaning his estranged wife, the model and actress **Cindy Crawford**, will have to move out.

WEATHER

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	14/57	10/50 c	14/57	11/52 r
Amsterdam	3/37	-2/29 s	4/39	0/32 s
Ankara	5/41	0/32 c	7/44	0/32 r
Athens	12/53	11/52 sh	15/59	8/46 sh
Barcelona	11/52	8/46 r	11/52	5/41 c
Belgrade	1/34	-4/25 c	3/37	-1/31 s
Berlin	-1/31	-8/18 s	0/32	-5/24 s
Brussels	3/37	-3/27 s	4/39	-1/31 s
Budapest	2/35	-4/25 s	3/37	-1/31 s
Copenhagen	-1/31	-6/22 s	0/32	-4/25 s
Costa Del Sol	14/57	11/52 c	14/57	11/52 r
Dublin	8/46	2/35 pc	9/48	3/37 s
Edinburgh	7/44	4/39 s	8/46	5/41 s
Florence	7/44	2/35 r	7/44	2/35 c
Frankfurt	3/37	-3/27 s	4/39	-1/31 s
Geneva	5/41	1/34 pc	6/43	-1/31 pc
Helsinki	-4/25	-11/13 pc	-6/18	-10/11 c
Istanbul	8/46	5/41 r	8/46	5/41 r
Las Palmas	22/71	19/66 r	23/73	16/61 pc
Lisbon	12/53	6/46 c	12/53	8/46 r
London	5/41	-1/31 s	7/44	2/35 r
Madrid	11/52	7/44 r	12/53	6/43 c
Milan	3/37	-1/31 r	4/39	-2/29 pc
Moscow	-9/22	-12/11 s	-9/16	-15/5 sn
Munich	4/39	-6/22 s	6/43	-2/29 s
Nice	8/46	5/41 r	9/48	2/35 c
Oslo	-3/27	-10/15 s	-3/27	-8/18 s
Mallorca	11/52	9/48 r	10/50	6/43 c
Paris	7/44	1/34 pc	9/48	3/37 s
Prague	-3/27	-11/13 s	-1/31	-6/22 s
Reykjavik	4/39	-1/31 pc	3/37	-1/31 sn
Rome	9/48	7/44 r	8/46	4/39 r
St. Petersburg	-5/24	-9/16 pc	-9/16	-13/9 c
Stockholm	-3/27	-8/18 s	-4/25	-8/18 pc
Strasbourg	6/43	-3/29 s	8/46	1/34 s
Tallinn	-4/25	-10/15 pc	-8/18	-12/11 c
Vienna	5/41	-1/31 c	7/44	2/35 s
Warsaw	1/34	-5/24 pc	3/37	-3/29 s
Zurich	4/39	-2/29 pc	7/44	-1/31 s

Oceania

Auckland	25/77	18/64 pc	26/79	18/64 pc
Sydney	29/84	21/70 s	28/82	19/66 pc

Forecast for Thursday through Saturday, as provided by AccuWeather.

North America
Cold and dry Thursday from Boston to Washington, D.C., then a chance of snow, ice or even rain Friday into Saturday. Extremely cold in Toronto and Chicago; snow is possible Friday and Saturday. Warm in Miami, but turning cold in Dallas and New Orleans. Dry and chilly along the West Coast.

Europe
Another rain-bearing storm will sweep across parts of Spain and Portugal toward France by the weekend. Snow will fall in parts of the Alps. Some rain will fall in Paris with a bit of rain or snow possible in London. Very cold weather will continue in eastern Europe.

Asia
Very cold weather will reach from Japan through Korea to Beijing Thursday through Saturday. There will be snow flurries in the mountains of Japan and Korea, but dry elsewhere. Shanghai will be dry and cool; Hong Kong may have a couple of showers. Singapore will be muggy with thundershowers.

Middle East

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Abu Dhabi	25/77	14/57 s	27/80	14/57 s
Beirut	18/64	13/55 pc	23/71	15/59 s
Cairo	22/71	12/53 pc	27/80	15/59 s
Damascus	13/55	6/43 pc	21/70	11/52 s
Jerusalem	18/61	9/48 pc	18/64	11/52 s
Luxor	31/88	12/53 pc	33/91	16/61 s
Riyadh	28/71	16/61 c	25/77	12/53 pc

Africa

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algiers	13/55	11/52 c	14/57	11/52 r
Cape Town	23/73	16/61 s	25/77	15/59 s
Casablanca	14/57	11/52 c	16/61	10/50 r
Harare	19/66	6/43 pc	26/79	7/44 s
Lagos	31/88	24/75 s	31/88	24/75 s
Nairobi	24/75	8/46 s	27/80	12/53 pc
Tunis	13/55	9/48 r	14/57	8/43 c

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Bangkok	32/89	26/68 pc	31/88	21/70 c
Beijing	-1/31	-8/18 s	-2/29	-11/13 s
Hong Kong	17/62	11/52 pc	18/64	14/57 c
Manila	32/89	21/70 pc	30/86	23/73 pc
New Delhi	20/68	7/44 s	20/68	8/46 s
Seoul	-2/29	-16/8 pc	-4/25	-14/7 c
Shanghai	8/46	-2/29 pc	6/43	-3/29 pc
Singapore	28/82	25/77 sh	28/82	25/77 pc
Taipei	18/64	14/57 c	18/64	13/55 c
Tokyo	8/46	-6/22 pc	4/39	-6/22 pc

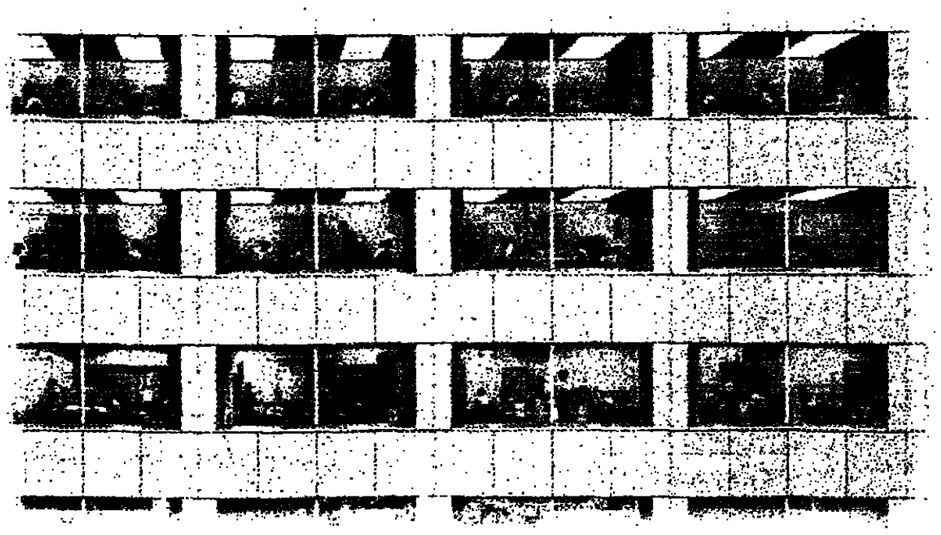
Latin America

Buenos Aires	33/91	24/75 pc	31/88	19/64 pc
Caracas	29/84	18/64 pc	29/84	17/62 pc
Lima	28/82	19/66 pc	27/80	19/66 pc
Mexico City	24/75	5/41 s	24/75	8/43 s
Rio de Janeiro	31/88	23/71 pc	29/84	23/73 pc
Santiago	33/89	11/52 s	31/88	10/50 pc

North America

Anchorage	-4/25	-7/20 sn	-3/27	-11/13 pc
Atlanta	16/61	8/46 sh	13/55	4/39 c
Boston	4/39	-5/24 pc	0/32	-6/22 pc
Chicago	-8/18	-13/9 sf	-8/18	-13/9 sf
Denver	1/34	-7/20 pc	0/32	-14/7 pc
Detroit	-5/22	-13/9 pc	-7/20	-13/9 sf
Honolulu	25/77	20/68 r	27/80	19/66 pc
Houston	22/71	16/61 c	20/68	13/55 c
Los Angeles	19/66	9/48 c	15/59	10/50 sh
Miami	25/77	19/66 s	26/79	19/66 pc
Minneapolis	-16/4	-22/-9 s	-14/7	-26/-14 s
Montreal	-7/20	-14/7 sf	-7/20	-10/15 pc
Nassau	29/79	19/66 pc	28/79	19/66 pc
New York	6/43	-4/25 sh	2/35	-3/27 pc
Phoenix	23/73	12/53 pc	21/70	11/52 pc
San Fran.	14/57	8/46 r	14/57	7/44 sh
Seattle	1/34	-2/29 pc	1/34	-3/27 pc
Toronto	-5/22	-10/15 pc	-5/24	-9/16 c
Vancouver	-4/25	-9/15 s	-2/29	-3/27 pc
Washington	8/46	-2/29 sh	3/37	-3/27 pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. ©1996



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EUROPE

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Austria*†‡	022-903-011
Belgium*	0-800-100-10
Bulgaria◆	00-800-0010
Croatia◆	99-385-0111
Czech Republic*	00-42-000-101
Denmark	8001-8010
Finland*	9800-100-10
France	19-0011
Germany	0130-0010
Greece*	00-800-1311
Hungary*	800-800-01111
Iceland*	800 9001
Ireland	1-800-550-000
Italy*	172-1011
Lithuania◆	80196
Luxembourg	0-800-0111
Macedonia, F.Y.R.*††	99-800-4288
Malta■	0800-890-110
Monaco*	19-0011
Netherlands*	06-022-9111
Norway	800-190-11
Poland†*	00-0-800-111-1111
Portugal†	05017-1-288
Romania*	01-800-4288
Russia*†(Moscow)	155-5042
Slovak Rep.*†	00-42-000-101
Spain■	900-99-00-11
Sweden	020-795-611
Switzerland*	155-00-11
Turkey*	00-800-12277
Ukraine†	8^100-11
United Kingdom	0500-89-0011

MIDDLE EAST

Bahrain■	800-001
Cyprus*■	800-99010
Egypt*(Cairo)*	510-0200
Israel	177-100-2727
Jordan■	18 800 000
Kuwait■	800-288
Lebanon (Beirut)*††	426-801
Qatar■	0800-011-77
Saudi Arabia■	1-800-10
Syria	0-801
U. Arab Emirates*■	800-121

AFRICA

Gabon*	800-001
Gambia*	00111
Ghana	0191
Ivory Coast*	00-111-11
Kenya†	0800-10
Liberia	797-797
Morocco■	002-11-0011
Sierra Leone	1100
South Africa	0-800-99-0123
Zambia*	00-899
Zimbabwe†	110-899

AMERICAS

Argentina◆	001-800-200-1111
Bolivia*	0-800-1112
Brazil	000-8010
Canada	1-800-225-5288
Chile	800-800-288
Colombia	980-11-0010
Costa Rica*■	0-800-0-114-114
Ecuador*	999-119
El Salvador*††	800-1785
Guatemala†††	190
Mexico◊◊■	95-800-462-4240
Nicaragua◆	174
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